

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other				Local Government Name		County	
Audit Date		Opinion Date		Date Accountant Report Submitted to State:			

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☐ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☐ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☐ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☐ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☐ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☐ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☐ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☐ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			
Reports on individual federal financial assistance programs (program audits).			
Single Audit Reports (ASLGU).			

Certified Public Accountant (Firm Name)				
Street Address		City	State	ZIP Code
Accountant Signature			Date	

CHARTER TOWNSHIP OF SUPERIOR

REPORT ON AUDIT OF
FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2004

CHARTER TOWNSHIP OF SUPERIOR

TOWNSHIP OFFICIALS

Supervisor - William McFarlane
Clerk - Kay Williams
Treasurer - Brenda McKinney

BOARD OF TRUSTEES

William McFarlane
Kay Williams
Brenda McKinney
Nancy Caviston
David Phillips
Lisa Lewis
Rodrick Green

LEGAL COUNSEL

Reading, Etter & Lillich
Hamilton, McDonald & Carter

TOWNSHIP AUDITORS

Pfeffer, Hanniford & Palka
Certified Public Accountants

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PFEFFER ■ HANNIFORD ■ PALKA
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March 31, 2005

Board of Trustees
Charter Township of Superior
3040 North Prospect
Ypsilanti, MI 48198

INDEPENDENT AUDITORS' REPORT

Honorable Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Superior, as of and for the year ended December 31, 2004, which collectively comprise the Charter Township of Superior's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Charter Township of Superior's management. Our responsibility is to express opinions on these financials statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Charter Township of Superior, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1, the Township has implemented a new financial reporting model as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as of December 31, 2004.

The Management's Discussion and Analysis and other required supplementary information on pages 8 through 13 and 47 through 51 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter Township of Superior's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information, such as the combining and individual fund statements, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The supplementary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Pfeffer, Hanniford & Palka, P.C.

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants

MANAGEMENT
DISCUSSION
AND
ANALYSIS

Management Discussion and Analysis December 31, 2004

Within this section of Charter Township of Superior's annual financial report, the Township's management is providing a narrative discussion and analysis of the financial activities of the Township for the fiscal year ended December 31, 2004. This narrative discusses and analyzes the activity within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Township's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Township's basic financial statements. The basic financial statements include government-wide financial statements, fund financial statements, and notes to the financial statements. The Township also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The Township's annual reports include two government-wide financial statements. These statements provide both long-term and short-term information about the Township's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Assets. This is the Township-wide statement of position presenting information that includes all the Township's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Township as a whole is improving or deteriorating. Evaluation of the overall health of the Township may extend to various non-financial factors as well.

The second government-wide statement is the Statement of Activities which reports how the Township's net assets changed during the current fiscal year. The design of this statement is to show the financial reliance of the Township's distinct activities or functions on the revenues generated by the Township.

Both government-wide financial statements distinguish governmental activities of the Township that are principally supported by taxes and revenue sharing from the business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include such activities as general government, public safety, and planning and zoning departments. Business-type activities include water & sewer system operations. Fiduciary activities such as tax collection are not included in the government-wide statements since these assets are not available to fund Township programs.

The Township's financial reporting includes all the funds of the Township (primary government) and, additionally, organizations for which the Township is accountable (component units).

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Township uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Township's most significant funds rather than the Township as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the combining statements later in this report.

The Township has three kinds of funds:

Governmental funds are reported in the financial statements and encompass essentially the same functions as governmental activities in the government-wide financial statements except with a different focus on the financial activity. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of these resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. Since the focus of the government-wide financial statements includes a long-term view, a reconciliation of these fund balances has been completed to detail its relation to net assets.

Proprietary funds are reported in the fund financial statements and are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Fiduciary funds are reported in the fiduciary fund financial statements, but are excluded from the government-wide statements. Fiduciary fund financial statements report resources that are not available to fund Township activities.

Notes to the financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of both the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Other supplementary information includes detail by fund for receivables, payables, transfers, and payments within the reporting entity.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report.

Financial Analysis of the Township as a Whole

The Township has implemented the new financial reporting model used in this report beginning with the current fiscal year ended December 31, 2004. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Township as a whole.

The Township's net assets at the end of the fiscal year were \$22,411,747. This is a \$4,741,283 increase over last year's net assets of \$17,670,464.

The following tables provide a summary of the Township's financial activities and changes in net assets:

Summary of Net Assets

	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 6,210,896	\$ 13,454,099	\$ 19,664,995
Capital assets	4,786,226	10,692,582	15,478,808
Total assets	<u>10,997,122</u>	<u>24,146,681</u>	<u>35,143,803</u>
Other liabilities	669,211	520,157	1,189,368
Deferred revenues	2,592,688		2,592,688
Long-term liabilities	1,455,000	7,495,000	8,950,000
Total liabilities	<u>4,716,899</u>	<u>8,015,157</u>	<u>12,732,056</u>
Net assets:			
Invested in capital assets, net of related debt	3,331,226	3,187,582	6,518,808
Unrestricted	2,948,997	12,943,942	15,892,939
Total net assets	<u>\$ 6,280,223</u>	<u>\$ 16,131,524</u>	<u>\$ 22,411,747</u>

Summary of Changes in Net Assets

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program revenues			
Charges for services	\$ 1,088,406	\$ 2,399,694	\$ 3,488,100
Operating grants and contributions	107,837		107,837
Capital grants and contributions		5,024,991	5,024,991
General revenues			-
State shared revenues	789,328		789,328
Property taxes	1,976,501		1,976,501
Interest	60,538	156,370	216,908
Other	129,532		129,532
Total revenues	<u>4,152,142</u>	<u>7,581,055</u>	<u>11,733,197</u>
Expenses			
General government	1,237,927		1,237,927
Building department	364,055		364,055
Fire protection	1,171,310		1,171,310
Police protection	692,902		692,902
Parks and recreation	241,749		241,749
Public works	210,076		210,076
Library	46,000		46,000
Interest on long-term debt	49,450		49,450
Water and sewer systems		2,827,445	2,827,445
Total expenses	<u>4,013,469</u>	<u>2,827,445</u>	<u>6,840,914</u>
Changes in net assets before special item	138,673	4,753,610	4,892,283
Special item -health savings plan (prior service cost)		(151,000)	(151,000)
Changes in net assets and special item	138,673	4,602,610	4,741,283
Beginning net assets	<u>6,141,550</u>	<u>11,528,914</u>	<u>17,670,464</u>
Ending net assets	<u>\$ 6,280,223</u>	<u>\$ 16,131,524</u>	<u>\$ 22,411,747</u>

This year the Township's governmental funds saw a significant drop of cash and cash equivalents in the governmental funds due to the continuing construction of a new fire hall. Total capital assets acquired during the year totaled \$1,776,116. Total revenues exceeded expenses in the governmental funds by \$138,673 for the year ended December 31, 2004.

The business type funds reported an increase of net assets totaling \$4,602,610 as opposed to the prior year net income of \$4,222,953. This is primarily due to the increase of connection fees in the current year. Connection fees were \$5,024,991 for the year ended December 31, 2004 as opposed to \$4,442,250 in the prior fiscal year.

Financial Analysis of the Township's Major Funds

The Township's General Fund had revenues over expenditures totaling \$333,992 before its net transfers of \$327,954 were made. Thus, the Township's fund balance increased \$6,038 for the fiscal year ended December 31, 2004. There were substantial increases in revenues collection for planning related services provided by the Township.

Two major governmental funds of the Township include the Fire Operating Fund and the Fire Hall Construction Fund which had increased activity in relation to the construction and operating supplies purchased for the new fire hall being constructed.

The Township's last major fund was the Law Enforcement fund. This fund accounts for the collection of property taxes, transfers in, and the subsequent contracting of services with Washtenaw County for police protection. No significant changes were made in this fund for the year ended December 31, 2004.

The Township's single major business-type fund, the Water & Sewer Fund, had an increase of net assets totaling \$4,602,610 primarily due to increased connection fees. This fund also accrued \$151,000 to record the Township's prior service cost related to the health savings plan implemented during the fiscal year.

General Fund Budgetary Highlights

The General Fund adopted its budget prior to the fiscal year in accordance with Public Act 493 of 2000. Total budgeted appropriations exceeded actual expenditures by \$143,546. Expenditures are budgeted by line item, and none of these line items exceeded budgeted appropriations. The budget was amended during the year to account for immaterial economic reality discrepancies and the increased planning activities in the Township.

Capital Asset and Debt Administration

The governmental funds of the Township purchased \$1,776,116 of new capital assets this year. This included \$1,765,479 of fire hall construction costs and \$10,637 of parks and recreation equipment.

The governmental funds issued no debt during the year, but managed to extinguish \$45,000 of the \$1,500,000 previously outstanding debt related to the fire hall construction.

The business-type activities began several construction projects for the water and sewer department totaling \$534,096 for the year. Total capital assets improvements and equipment for the department totaled \$2,632,206.

The business-type activities issued no debt for the year ended December 31, 2004.

Economic Conditions and Future Activities

The Township is anticipating a further drop in state revenue sharing for its general fund to continue into next year due to the declining economic environment. State Revenue Sharing is made up of two components, statutory and constitutional. The constitutional amount can not be adjusted by the state legislature and accounted for approximately 90% of the total received. The statutory amount can be adjusted by the state legislature and accounted for approximately 10% received. The Township will continue to have a very active 2005 year related to planning for new developments which will keep planning revenues and expenses high.

The Township is also continuing its expansion and improvement of the water and sewer system to meet increased user demands.

Contacting the Township's Financial Management

This report is designed to provide a general overview of the Township's financial position and comply with finance-related regulations. If you have any further questions about this report or request additional information please contact the Charter Township of Superior at 3040 North Prospect, Ypsilanti, Michigan, 48198.

BASIC
FINANCIAL
STATEMENTS

GOVERNMENT-WIDE
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF SUPERIOR
STATEMENT OF NET ASSETS
DECEMBER 31, 2004

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 3,274,414	\$13,000,799	\$16,275,213
Receivables			
Taxes	1,450,033		1,450,033
Grant	673		673
Special assessments	29,885		29,885
State shared revenues	276,670		276,670
Accounts	63,757	377,932	441,689
Intergovernmental	1,091,231	18,481	1,109,712
Inventory		52,133	52,133
Prepaid expenditures	24,233	4,754	28,987
Capital assets			
Land	991,001		991,001
Buildings and improvements	1,995,133	42,902	2,038,035
Utility System		11,796,769	11,796,769
Vehicles and equipment	1,255,562	296,727	1,552,289
Construction in progress	2,022,621	534,096	2,556,717
Less accumulated depreciation	<u>(1,478,091)</u>	<u>(1,977,912)</u>	<u>(3,456,003)</u>
Total assets	<u>10,997,122</u>	<u>24,146,681</u>	<u>35,143,803</u>
LIABILITIES			
Accounts payable	349,608	\$ 487,242	\$ 836,850
Accounts payable - intergovernmental	100,218	3,219	103,437
Accrued compensated absences	219,385	27,883	247,268
Deposits		1,813	1,813
Deferred revenues	2,592,688		2,592,688
Contracts payable		5,555,000	5,555,000
Bonds payable	<u>1,455,000</u>	<u>1,940,000</u>	<u>3,395,000</u>
Total liabilities	<u>4,716,899</u>	<u>8,015,157</u>	<u>12,732,056</u>
NET ASSETS			
Invested in capital assets, net of related debt	3,331,226	3,187,582	6,518,808
Unrestricted	<u>2,948,997</u>	<u>12,943,942</u>	<u>15,892,939</u>
Total net assets	<u>\$ 6,280,223</u>	<u>\$16,131,524</u>	<u>\$22,411,747</u>

The accompanying notes are an integral part of the financial statements.

PFEFFER, HANNIFORD & PALKA

Certified Public Accountants

CHARTER TOWNSHIP OF SUPERIOR
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2004

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
GOVERNMENTAL ACTIVITIES				
General government	\$ (1,237,927)	\$ 451,559	\$ 9,400	\$
Building department	(364,055)	502,599		
Fire protection	(1,171,310)	5,650		
Police protection	(692,902)	116,671		
Parks and recreation	(241,749)	11,927	24,447	
Public works	(210,076)		73,990	
Library	(46,000)			
Interest on long-term debt	(49,450)			
Total governmental activities	<u>(4,013,469)</u>	<u>1,088,406</u>	<u>107,837</u>	
BUSINESS-TYPE ACTIVITIES				
Sewer and water	<u>(2,827,445)</u>	<u>2,399,694</u>		<u>5,024,991</u>
Total	<u>\$ (6,840,914)</u>	<u>\$ 3,488,100</u>	<u>\$ 107,837</u>	<u>\$ 5,024,991</u>

General Revenues:
Property taxes
State shared revenues
Unrestricted investment earnings
Rental income
Cable franchise fees
Other income

Total general revenues

Change in net assets before special item

Special item – health savings plan (prior service cost)

Changes in net assets and special item

Net assets, January 1, 2004

Net assets, December 31, 2004

The accompanying notes are an integral part of the financial statements.

Net (Expenses) Revenue
and Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (776,968)	\$	\$ (776,968)
138,544		138,544
(1,165,660)		(1,165,660)
(576,231)		(576,231)
(205,375)		(205,375)
(136,086)		(136,086)
(46,000)		(46,000)
<u>(49,450)</u>		<u>(49,450)</u>
<u>(2,817,226)</u>		<u>(2,817,226)</u>
	<u>4,597,240</u>	<u>4,597,240</u>
1,976,501		1,976,501
789,328		789,328
60,538	156,370	216,908
15,691		15,691
99,998		99,998
<u>13,843</u>		<u>13,843</u>
<u>2,955,899</u>	<u>156,370</u>	<u>3,112,269</u>
138,673	4,753,610	4,892,283
	<u>(151,000)</u>	<u>(151,000)</u>
138,673	4,602,610	4,741,283
<u>6,141,550</u>	<u>11,528,914</u>	<u>17,670,464</u>
<u>\$ 6,280,223</u>	<u>\$ 16,131,524</u>	<u>\$ 22,411,747</u>

FUND
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF SUPERIOR
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2004

	<u>General Fund</u>	<u>Fire Fund</u>	<u>Law Fund</u>
<u>ASSETS</u>			
Assets			
Cash and cash equivalents	\$ 722,955	\$ 1,202,661	\$ 64,722
Accounts receivable – taxes	215,995	863,831	370,207
Accounts receivable – special assessments			
Accounts receivable – state shared	276,670		
Due from other funds	209,470	567,090	243,034
Accounts receivable – other	56,493	814	5,897
Grant receivable			
Prepaid expenditures	<u>6,184</u>	<u>14,323</u>	<u> </u>
Total assets	<u>\$ 1,487,767</u>	<u>\$ 2,648,719</u>	<u>\$ 683,860</u>
<u>LIABILITIES AND FUND BALANCE</u>			
Liabilities			
Accounts payable	\$ 116,281	\$ 45,496	\$ 16,171
Deferred revenue	392,121	1,528,211	654,936
Due to other funds	<u>27,547</u>	<u>6,015</u>	<u> </u>
Total liabilities	<u>535,949</u>	<u>1,579,722</u>	<u>671,107</u>
<u>FUND BALANCE</u>			
Fund Equity			
Reserved:			
Park land development			
Unreserved			
Designated	49,241	778,898	
Undesignated	<u>902,577</u>	<u>290,099</u>	<u>12,753</u>
Total fund equity	<u>951,818</u>	<u>1,068,997</u>	<u>12,753</u>
Total liabilities and fund equity	<u>\$ 1,487,767</u>	<u>\$ 2,648,719</u>	<u>\$ 683,860</u>

The accompanying notes are an integral part of the financial statements.

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants

<u>Fire Hall Fund</u>	<u>Other Non-major Funds</u>	<u>Totals</u>
\$ 454,909	\$ 829,167	\$ 3,274,414
		1,450,033
	29,885	29,885
		276,670
	71,637	1,091,231
	553	63,757
	673	673
	<u>3,726</u>	<u>24,233</u>
<u>\$ 454,909</u>	<u>\$ 935,641</u>	<u>\$ 6,210,896</u>
\$ 163,102	\$ 8,558	\$ 349,608
	17,420	2,592,688
	<u>66,656</u>	<u>100,218</u>
<u>163,102</u>	<u>92,634</u>	<u>3,042,514</u>
	12,414	12,414
	338,431	1,166,570
<u>291,807</u>	<u>492,162</u>	<u>1,989,398</u>
<u>291,807</u>	<u>843,007</u>	<u>3,168,382</u>
<u>\$ 454,909</u>	<u>\$ 935,641</u>	<u>\$ 6,210,896</u>

CHARTER TOWNSHIP OF SUPERIOR
RECONCILIATION OF STATEMENT OF NET ASSETS
OF GOVERNMENTAL FUNDS TO THE BALANCE SHEET
DECEMBER 31, 2004

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Total fund balance per balance sheet		\$ 3,168,382
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Historical cost	\$6,264,317	
Depreciation	<u>(1,478,091)</u>	
Capital assets net of depreciation		4,786,226
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. This includes:		
Bonds payable	(1,455,000)	
Compensated absences	<u>(219,385)</u>	
Total		<u>(1,674,385)</u>
Net assets of governmental activities		<u>\$ 6,280,223</u>

The accompanying notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF SUPERIOR
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2004

	General Fund	Fire Fund	Law Fund
REVENUES			
Taxes	\$ 350,720	\$ 1,270,309	\$ 355,472
Licenses and permits			
Law enforcement			83,854
Accounting fees	14,000		
Trailer fees	4,541		
Cable fees	99,998		
State shared revenue	789,328		
Departmental fees	7,625		
Planning dept professional fees	351,865		
Summer tax levy	19,723		
Solid waste	2,708		
Building department	39,599		
ROW fees	7,570		
Ordinance fees	1,495		
Penalties	2,433		
Donations	9,400		
Grants			
Charges for services		5,650	
Rental income			
Administration fees			
Fines and forfeitures			32,817
Interest income	17,270	17,685	1,440
Other income	<u>3,023</u>	<u> </u>	<u> </u>
Total revenues	<u>1,721,298</u>	<u>1,293,644</u>	<u>473,583</u>
EXPENDITURES			
Elected officials	431,009		
General government	817,544		
Roads	138,753		
Building department			
Fire protection		1,187,715	
Fire building construction			
Parks and recreation			
Law enforcement			692,902
Side street maintenance			
Utilities	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>1,387,306</u>	<u>1,187,715</u>	<u>692,902</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 333,992	\$ 105,929	\$ (219,319)
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	<u>(327,954)</u>	<u>(605,906)</u>	<u>151,058</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	6,038	(499,977)	(68,261)
FUND BALANCE, JANUARY 1, 2004	<u>945,780</u>	<u>1,568,974</u>	<u>81,014</u>
FUND BALANCE, DECEMBER 31, 2004	<u>\$ 951,818</u>	<u>\$ 1,068,997</u>	<u>\$ 12,753</u>

The accompanying notes are an integral part of the financial statements.

PFEFFER, HANNIFORD & PALKA
Certified Public Accountants

<u>Fire Hall Fund</u>	<u>Other Non-major Funds</u>	<u>Totals</u>
\$	\$ 73,990	\$ 2,050,491
	500,349	500,349
		83,854
		14,000
		4,541
		99,998
		789,328
		7,625
		351,865
		19,723
		2,708
		39,599
		7,570
		1,495
		2,433
	3,775	13,175
	20,672	20,672
	11,927	17,577
	15,691	15,691
	2,250	2,250
		32,817
16,996	7,147	60,538
<u>16,996</u>	<u>10,820</u>	<u>13,843</u>
		431,009
		817,544
		138,753
	356,387	356,387
		1,187,715
1,774,142		1,774,142
	234,759	234,759
		692,902
	13,400	13,400
<u>1,774,142</u>	<u>57,923</u>	<u>57,923</u>
<u>1,774,142</u>	<u>662,469</u>	<u>5,704,534</u>
\$ (1,757,146)	\$ (15,848)	\$ (1,552,392)
<u>605,906</u>	<u>176,896</u>	<u></u>
(1,151,240)	161,048	(1,552,392)
<u>1,443,047</u>	<u>681,959</u>	<u>4,720,774</u>
<u>\$ 291,807</u>	<u>\$ 843,007</u>	<u>\$ 3,168,382</u>

CHARTER TOWNSHIP OF SUPERIOR
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2004

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - governmental funds	\$ (1,552,392)
--	----------------

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their useful lives as depreciation expense. The amount by which capital outlays exceeded depreciation is as follows:

Capital outlay	\$ 1,776,116
Depreciation expense	<u>(150,948)</u>

Net	1,625,168
-----	-----------

Repayment of bond and contract payable is an expenditure in the governmental funds, but the repayment deducts long-term liabilities in the Statement of Net Assets.

Repayment of bonds payable	45,000
----------------------------	--------

Accrued absences for vacation and sick time for the employees is Recorded on the Statement of Net Assets

Accrued absences at December 31, 2004	(219,385)
Accrued absences at December 31, 2003	<u>240,282</u>

Net	<u>20,897</u>
-----	---------------

Change in net assets of governmental activities	<u>\$ 138,673</u>
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The accompanying notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF SUPERIOR
 PROPRIETARY FUND - WATER AND SEWER FUND
 STATEMENT OF NET ASSETS
 DECEMBER 31, 2004

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 1,362,195	
Due from other funds	18,481	
Accounts receivable – billing	313,256	
Accounts receivable – other	32,676	
Prepaid expenses	4,754	
Inventory	<u>52,133</u>	
Total current assets		\$ 1,783,495

RESTRICTED ASSETS

Cash and cash equivalents	11,638,604	
Due from Ypsilanti Community Utilities Authority	<u>32,000</u>	
Total restricted assets		11,670,604

PROPERTY, PLANT, EQUIPMENT AND CONSTRUCTION IN PROGRESS

Building	42,902	
Water and sewer systems	10,971,624	
Equipment and improvements	719,645	
Office improvements	16,460	
Office equipment	62,565	
Vehicles	217,702	
Metering program	105,500	
Construction in progress	<u>534,096</u>	
	12,670,494	
Less accumulated depreciation	<u>1,977,912</u>	
Net property, plant and equipment		<u>10,692,582</u>
Total assets		<u>\$ 24,146,681</u>

LIABILITIES

CURRENT LIABILITIES

Accounts payable	\$ 327,242	
Accrued medical savings	160,000	
Accrued sick and vacation	27,883	
Customer deposits	1,813	
Contract payable (from restricted assets)	225,000	
Bonds payable (from restricted assets)	62,857	
Due to payroll fund	<u>3,219</u>	
Total current liabilities		\$ 808,014

LONG-TERM LIABILITIES

Contract payable (from restricted assets)	5,330,000	
Bonds payable (from restricted assets)	<u>1,877,143</u>	
Total long term liabilities		<u>7,207,143</u>
Total liabilities		8,015,157

NET ASSETS

NET ASSETS

Invested in capital assets, net of related debt	3,197,582	
Unrestricted	<u>12,933,942</u>	
Total net assets		<u>\$ 16,131,524</u>

The accompanying notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF SUPERIOR
 PROPRIETARY FUND, WATER AND SEWER FUND
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2004

OPERATING REVENUES	
Charges for services	\$ 2,265,414
Meter sales	90,032
Other revenues	<u>44,248</u>
Total operating revenues	<u>2,399,694</u>
OPERATING EXPENSES	
Water and sewer purchases	1,423,004
Depreciation	305,039
Operating supplies and meters	123,512
Office expenses	8,424
Professional services	46,749
Salaries and wages	345,953
Payroll taxes	26,976
Taxable benefits	14,511
Health insurance	68,568
Pension	28,952
Telephone	10,431
Insurance	18,606
Transportation	5,293
Utilities	4,439
Repairs and maintenance	56,947
Publications	3,564
Office rent	9,030
Memberships and dues	3,227
Computer expenses	10,717
Training and other employee expense	2,882
Uniforms	3,067
Health savings expense	9,000
Leased equipment	<u>5,139</u>
Total operating expenses	<u>2,534,030</u>
OPERATING (LOSS)	<u>(134,336)</u>
NON-OPERATING REVENUES AND (EXPENSES)	
Interest income – operations	23,823
Interest income – restricted	132,547
Interest expense – debt	(292,948)
Agency fees – debt	<u>(467)</u>
Total non-operating revenues and (expenses)	<u>(137,045)</u>
(Loss) before capital contributions and special item	<u>(271,381)</u>
CAPITAL CONTRIBUTIONS	
Connection fees - cash	3,514,374
Developer non-cash contributions	<u>1,510,617</u>
Total capital contributions	<u>5,024,991</u>
Change in net assets before special item	4,753,610
SPECIAL ITEM	
Health savings expense – prior years	<u>(151,000)</u>
Change in net assets	4,602,610
NET ASSETS, JANUARY 1, 2004	<u>11,528,914</u>
NET ASSETS, DECEMBER 31, 2004	<u><u>\$ 16,131,524</u></u>

The accompanying notes are an integral part of the financial statements.

CHARTER TOWNSHIP OF SUPERIOR
WATER AND SEWER FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2004

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:

Cash received from users	\$ 7,462,540
Cash payments to employees	(325,056)
Cash payments to suppliers	<u>(1,502,551)</u>

Net cash from operating activities \$ 5,634,933

CASH FLOWS FROM (USED IN) CAPITAL AND RELATED
FINANCING ACTIVITIES

Interest on restricted assets	132,547
Reimbursements from YCUA – construction	350,764
Acquisition of equipment and construction	(2,438,617)
Principle payments on contract payable	(275,000)
Interest payments on contract payable	(293,415)
Health savings expense	<u>(151,000)</u>

Net cash (used in) capital and related
financing activities (2,674,721)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest on cash and cash equivalents	<u>23,823</u>
---------------------------------------	---------------

Net increase in cash and cash equivalents 2,984,035

CASH AND CASH EQUIVALENTS, JANUARY 1, 2004 10,016,764

CASH AND CASH EQUIVALENTS, DECEMBER 31, 2004 \$ 13,000,799

RECONCILIATION OF OPERATING (LOSS) TO NET CASH PROVIDED
(USED) BY OPERATING ACTIVITIES:

Operating (loss)	\$ (134,336)
Adjustments to reconcile operating income to net cash from (used in) operating activities:	
Depreciation	305,039
Water and sewer connection fees	5,024,991
Changes in assets and liabilities	
(Increase) in accounts receivable	36,370
(Increase) in prepaid expenses	25,672
(Increase) in inventory	13,784
Increase in accounts payable	208,180
Increase in accrued vacation and sick	168,962
(Decrease) in due to other funds	3,219
(Increase) in due from other funds	(18,433)
Increase in customer deposits	<u>1,485</u>

Total net cash provided by operating activities \$ 5,634,933

The accompanying notes are an integral part of the financial statements.

NOTES
TO
FINANCIAL
STATEMENTS

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Charter Township of Superior was incorporated February 26, 1979, under the provision of Public Act 90 of 1976, as amended. The policies of the Charter Township of Superior conform to generally accepted accounting principles as applicable to governmental units.

The following is a summary of the more significant policies:

A. BASIC FINANCIAL STATEMENTS

In accordance with GASB Statement No. 34 – *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, the basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (Statement of Net Assets and Statement of Activities) report on the Township as a whole, excluding fiduciary activities. Governmental fund types are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the Township as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Generally, the effect of interfund activity has been removed from the government-wide financial statements.

The government-wide Statement of Net Assets reports all financial and capital resources of the Township (excluding fiduciary funds). It is displayed in a format of assets less liabilities equals net assets, with the assets and liabilities shown in order of their relative liquidity. Net assets are required to be displayed in three components: 1) invested in capital assets 2) restricted, and 3) unrestricted. Invested in capital assets, net of related debt is capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net assets are those with constraints placed on their use by either: 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. All net assets not otherwise classified as restricted, are shown as unrestricted. Generally, the Township would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The government-wide Statement of Activities demonstrates the degree to which both direct and indirect expenses of the various functions and programs of the Township are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Indirect expenses for administrative overhead are allocated among the functions and activities using a full cost allocation approach and are presented separately to enhance comparability of direct expense between governments that allocate direct expenses and those that do not. Interest on general long-term debt is not allocated to the various functions. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes, unrestricted investment income and other revenues not identifiable with particular functions or programs are included as general revenues. The general revenues support the net costs of the functions and programs not covered by program revenues.

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Also, part of the basic financial statements are fund financial statements for the governmental funds. The focus of the fund financial statements is on major funds, as defined by GASB Statement No. 34. Although this reporting model sets forth minimum criteria for determination of major funds (a percentage of assets, liabilities, revenues, or expenditures of fund category and of the governmental funds combined), it also gives governments the option of displaying other funds as major funds. Other non-major funds are combined in a single column on the fund financial statements.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Fire Fund accounts for the activities related to operating fire protection services. This fund is primarily supported through the collection of property taxes.

The Law Enforcement Fund accounts for the activities related to operating police protection services. This fund is primarily supported through the collection of property taxes and charges for services.

The Fire Hall Fund accounts for the activities related to the construction of a new fire hall. This fund is primarily supported through a bond issue in a prior year.

B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The governmental fund financial statements are prepared on a modified accrual basis of accounting. To conform to the modified accrual basis of accounting, certain modifications must be made to the accrual method. These modifications are outlined below:

1. Revenue is recorded when it becomes both measurable and available (received within 60 days after year-end). Revenue considered susceptible to accrual includes: property taxes, sales and use taxes, licenses, fees and permits, intergovernmental revenues, charges for services and interest.
2. Expenditures are recorded when the related fund liability is incurred. Principal and interest on long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.
3. Disbursements for the purchase of capital assets providing future benefits are considered expenditures. Bond proceeds are reported as another financing source.

With this measurement focus, operating statements present increases and decreases in net current assets and unreserved fund balances as a measure of available spendable resources.

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

This is the traditional basis of accounting for governmental funds and also is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to: 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the Township's actual revenues and expenditures conform to the annual budget. Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

Fiduciary funds account for assets held by the Township in a trustee or agency capacity on behalf of others and, therefore, are not available to support Township programs. The reporting focus is upon net assets and changes in net assets and employs accounting principles similar to proprietary funds. Fiduciary funds are not included in the government-wide financial statements as they are not an asset of the Township available to support Township programs.

C. BUDGETARY DATA

The Township approves budgets for the general and special revenue funds. Amendments made during the fiscal year are reflected in the budget column of the appropriate financial statement. The budgets are prepared on a modified accrual basis.

D. PROPERTY TAXES

The Township property tax is levied each December 1 on the taxable valuation of property located in the township as of the preceding December 31. Taxable values are established annually by the county and are equalized by the state. Real and personal property in the Township for the 2003 levy was assessed at an adjusted taxable value of \$389,563,153. Taxes are due and payable by February 28. Delinquent real and personal property taxes are returned to the County Treasurer for collection.

The Township levies the following millage:

General township operations	.8929
Police	.9125
Fire	<u>3.2609</u>
Total millage	<u>5.0663</u>

CHARTER TOWNSHIP OF SUPERIOR
NOTE TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Michigan personal property tax assessments have been based, since the 1960's, on the use of one or more of several different multiplier tables formulated by the State Tax Commission against taxpayer reported original cost, depending on the assessor's view of the average life of the personal property. The State Tax Commission has indicated that it plans to reformulate the multipliers. The State Tax Tribunal has informally indicated that once the new multipliers are approved, it may allow them to be applied retroactively in pending personal property tax appeals.

E. CAPITAL ASSETS

Under GASB Statement No. 34, all capital assets whether owned by governmental activities or business-type activities, are recorded and depreciated in the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental funds financial statements.

Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. Land is considered a capital asset regardless of initial cost. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings, structures and improvements	10 to 50 years
Machinery and equipment	5 to 40 years

Any capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation), as of the date of the transfer.

F. MANAGEMENT ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 2 – DESCRIPTION OF REPORTING ENTITY

In accordance with Governmental Accounting Standards Board (GASB) statement number 39, all funds, agencies, and activities of Charter Township of Superior as the primary government have been included in the financial statements.

NOTE 3 – INTERFUND BALANCES

All interfund balances are short-term in character. Interfund transfers will be collected during the next reporting period. These amounts are reported as current assets in the governmental balance sheets. The amounts of interfund receivables and payables are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 209,470	\$ 27,547
Fire Fund	567,090	6,015
Street light	33,167	54,949
Building department		7,772
Law Fund	243,034	
Ground Maintenance	10,938	
Parks	27,532	3,935
Sewer and Water	18,481	3,219
Trust and Agency		5,551
Current tax		1,011,259
Payroll	<u>11,875</u>	<u>1,340</u>
Total	<u>\$ 1,121,587</u>	<u>\$ 1,121,587</u>

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 4 – GOVERNMENTAL AND PROPRIETARY CAPITAL ASSETS

A summary of changes in governmental fund capital assets is as follows:

	Audited Balance 1/1/04	<u>Additions</u>	<u>Deletions</u>	Audited Balance 12/31/04
Land	\$ 991,001	\$	\$	\$ 991,001
Buildings				
Fire department	332,440			332,440
General	1,454,768			1,454,768
Parks	197,288	10,637		207,925
Vehicles				
Building department	24,163			24,163
Vehicles	1,020,000			1,020,000
Parks	23,459			23,459
Equipment				
General	47,819			47,819
Fire department	28,089			28,089
Parks	112,032			112,032
Construction – fire	<u>257,142</u>	<u>1,765,479</u>	<u> </u>	<u>2,022,621</u>
	<u>\$ 4,488,201</u>	<u>\$ 1,776,116</u>	<u>\$</u>	<u>\$ 6,264,317</u>
Depreciation expense				
General		\$ 34,865		
Building department		4,833		
Fire		93,792		
Parks		<u>17,458</u>		
		<u>\$ 150,948</u>		

Depreciation expense is being recorded in the government-wide statement of activities based upon the fund and activity utilizing the assets. The Township utilizes the straight line method to depreciate capital assets over their estimated useful lives. Depreciation expense was recorded in the general government expense portion of the Statement of Activities. There was \$1,455,000 debt related to these capital assets.

Investment in capital assets:

Historical cost	\$ 6,264,317
Less: Bonds payable	(1,455,000)
Less: Accumulated depreciation	<u>(1,478,091)</u>

Investment in capital assets, net of related debt \$ 3,331,226

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 4 – GOVERNMENTAL FUND AND PROPRIETARY CAPITAL ASSETS – (continued)

A summary of changes in capital assets and depreciation for the water and sewer fund is as follows:

	<u>Balance 1/1/04</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/04</u>
Building	\$ 42,902	\$		\$ 42,902
Water and Sewer Systems	8,367,230	2,604,394		10,971,624
Equipment				
and Improvements	719,645			719,645
Office Improvements	16,460			16,460
Office equipment	57,213	5,352		62,565
Vehicles	195,242	22,460		217,702
Metering program	<u>105,500</u>			<u>105,500</u>
 Total cost	 9,504,192	 2,632,206		 12,136,398
 Less accumulated depreciation	 <u>1,672,873</u>	 <u>305,039</u>		 <u>1,977,912</u>
 Net property, plant and equipment	 7,831,319	 2,327,167		 10,158,486
 Construction in progress	 <u>727,685</u>	 <u>534,096</u>	 <u>727,685</u>	 <u>534,096</u>
 Net property, plant, equipment and construction in progress	 <u>\$ 8,559,004</u>	 <u>\$ 2,861,263</u>	 <u>\$ 727,685</u>	 <u>\$ 10,692,582</u>

Depreciation for the systems, equipment, improvements and software is charged as an expense against operations.

Accumulated depreciation is reported on the proprietary fund balance sheet. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Water and Sewer Systems	40 years
System Improvements	30 years
Building	30 years
Office Improvements	15 years
Equipment, Furniture and Software	7 years

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 5 – LONG-TERM DEBT

A. Governmental Fund Long-Term Debt

Accrued Compensated Absences – The Township has recorded a liability in the Statement of Net Assets account group for compensated absences of the general, park, building and fire funds. The policies regarding compensated absences are outlined in the Township's "Rules of Employment" and the "Township Fire Department Agreement".

During the prior year the Township sold bonds totaling \$3.5M (2003 General Obligation Capital Improvement Bonds) of which \$1.5M was used to help finance the construction of a new fire hall and \$2M was used for various water and sewer projects. The \$1.5M was recorded as part of long-term debt. The \$2M was recorded as a liability in the Enterprise Water and Sewer Fund. Interest varies from 2.5% to 4.0%. The debt is payable to Comerica securities (purchaser).

The following summarizes changes in the Township's governmental funds' long-term debt for 2004:

<u>Description</u>	<u>Balance 1/1/04</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 12/31/04</u>
Accrued compensated absences	\$ 240,282	\$	\$ 20,897	\$ 219,385
2004 Capital Improvement Bonds Fire Hall	<u>1,500,000</u>	<u> </u>	<u>45,000</u>	<u>1,455,000</u>
Totals	<u>\$ 1,740,282</u>	<u>\$</u>	<u>\$ 65,897</u>	<u>\$ 1,674,385</u>

B. Proprietary Fund Long-Term Debt

The Townships Water and Sewer Fund has two long-term debt obligations which are as follows:

- Sanitary Sewer System No. 2 Contract Payable – Superior and Ypsilanti Townships jointly reconstructed and improved various parts of a shared sewer system. The total cost was approximately \$8.9M broken out by township as follows:

Superior Township	\$ 6,350,000	71.34831%
Ypsilanti Township	<u>2,550,000</u>	<u>28.65169%</u>
Total	<u>\$ 8,900,000</u>	<u>100.0%</u>

In order to finance the project, the two townships sold bonds in the year 2000 pursuant to the provisions of Act No. 233, Public Acts of Michigan, 1955, as amended. The bonds were sold by Ypsilanti Community Utilities Authority (YCUA). The bonds are payable solely from the proceeds of contractual payments to be paid by the townships to the Authority pursuant to the contract, between the townships and the Authority. Superior Township has pledged its respective limited tax full faith and credit for the payment of its respective contractual payments. Interest ranges between 5% and 5.1% per annum.

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 5 – LONG-TERM DEBT – (continued)

- 2004 Capital Improvement Bonds Payable – As previously mentioned under governmental fund long-term debt the Township sold bonds of which \$2M of proceeds were used to finance various water and sewer construction projects and was recorded separately as a liability in the water and sewer fund.

The following summarizes changes in the Township's Proprietary Fund (water and sewer) long-term debt for 2004:

<u>Description</u>	<u>Balance 1/1/04</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/04</u>
Sanitary Sewer #2 Contract Payable	\$5,770,000	\$	\$ 215,000	\$5,555,000
2004 Capital Improvement Bonds Payable	<u>2,000,000</u>	<u> </u>	<u>60,000</u>	<u>1,940,000</u>
Totals	<u>\$7,770,000\$</u>	<u>\$</u>	<u>275,000</u>	<u>\$ 7,495,000</u>

The following is a schedule of future required principle and interest payments due from Superior Township for long-term debt:

Governmental Fund Long-Term Debt

<u>Year</u>	2003 Capital Improvement Bonds – Fire Hall		
	<u>Total</u>	<u>Principle</u>	<u>Interest</u>
2005	\$ 95,441	\$ 47,143	\$ 48,298
2006	96,378	49,285	47,093
2007	97,262	51,428	45,834
2008	100,209	55,714	44,495
2009	100,932	57,857	43,075
2010	101,451	60,000	41,451
2011/after	<u>1,440,015</u>	<u>1,133,573</u>	<u>306,442</u>
Total	<u>\$2,031,688</u>	<u>\$1,455,000</u>	<u>\$ 576,688</u>

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 5 – LONG-TERM DEBT – (continued)

Proprietary Long-Term Debt

<u>Year</u>	<u>Sanitary Sewer #2 Contract Payable</u>		
	<u>Total</u>	<u>Principle</u>	<u>Interest</u>
2005	\$ 507,198	\$ 225,000	\$ 282,198
2006	505,948	235,000	270,948
2007	509,198	250,000	259,198
2008	506,698	260,000	246,698
2009	508,697	275,000	233,697
2010	509,810	290,000	219,810
2011/after	<u>5,244,000</u>	<u>4,020,000</u>	<u>1,224,000</u>
Total	<u>\$ 8,291,549</u>	<u>\$5,555,000</u>	<u>\$2,736,549</u>

<u>Year</u>	<u>2004 Capital Improvement Bonds - Water and Sewer</u>		
	<u>Total</u>	<u>Principle</u>	<u>Interest</u>
2005	\$ 127,254	\$ 62,857	\$ 64,397
2006	128,504	65,714	62,790
2007	129,683	68,572	61,111
2008	133,612	74,286	59,326
2009	134,575	77,142	57,433
2010	135,269	80,000	55,269
2011/after	<u>1,920,021</u>	<u>1,511,429</u>	<u>408,592</u>
Total	<u>\$ 2,708,918</u>	<u>\$1,940,000</u>	<u>\$ 768,918</u>

<u>Year</u>	<u>Total Proprietary Long-Term Debt</u>		
	<u>Total</u>	<u>Principle</u>	<u>Interest</u>
2005	\$ 634,452	\$ 287,857	\$ 346,595
2006	634,452	300,714	333,738
2007	638,881	318,572	320,309
2008	640,310	334,286	306,024
2009	643,272	352,142	291,130
2010	645,079	370,000	275,079
2011/after	<u>7,164,021</u>	<u>5,531,429</u>	<u>1,632,592</u>
Total	<u>\$ 11,000,467</u>	<u>\$7,495,000</u>	<u>\$3,505,467</u>

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 6 – STATEMENT OF CASH FLOWS – ENTERPRISE FUND

Pursuant to the Governmental Accounting Standards Board (GASB) statement number 9, a statement of cash flows is presented. The purpose of the statement of cash flows is to explain the change in cash and cash equivalents during the year. For purposes of the statement of cash flows, the enterprise fund considers all investments to be cash equivalents due to the highly liquid nature of the investments.

The direct method was utilized to present cash flows from operations. The following is the beginning and ending balances for cash and cash equivalents:

	<u>1/1/04</u>	<u>12/31/04</u>
Unrestricted – operations		
Cash and cash equivalents	\$ 1,434,951	\$ 1,362,195
Restricted		
Cash and cash equivalents	<u>8,581,813</u>	<u>11,638,604</u>
Total	<u>\$ 10,016,764</u>	<u>\$ 13,000,799</u>

The restricted cash and cash equivalents consists of the following:

Capital (construction, replacement, improvement)	\$ 9,286,048
Bond proceeds (2004 construction fund)	1,023,564
Debt service	1,273,911
Benefits (employees)	53,596
Section 36 – (escrow)	<u>1,485</u>
Total restricted cash and equivalents	<u>\$ 11,638,604</u>

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 7 – PENSION PLAN – DEFINED CONTRIBUTION PLAN

On October 1, 1967, the Charter Township of Superior signed a single employer defined contribution pension plan with Manulife Financial in order to establish a pension plan which will provide retirement for its employees.

The employees of the fire department are covered under a separate retirement plan (defined benefit plan) as explained in the following footnote.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits a participant will receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account and the returns on the investments of those contributions.

The plan year is the twelve month period beginning January 1, and ending on the following December 31.

Participants currently eligible must be 18 years of age and work no less than 20 hours per week except for certain positions which include elected officials (supervisor, treasurer, clerk and trustees) and the ordinance officer. Each participant maintains an individual account on the records of the plan. Each account reflects employer contributions, employee contributions, earnings and fees.

The vested right in each account is based upon time of service with the township for the employer's share of contributions. The employee is 100% vested upon completion of 20 months of service. The employees' share of contributions to the plan are 100% vested at all times.

The employees' contributions to the plan are made on an after tax basis. The employee must contribute 5% of his or her gross compensation annually. The employee has the option to contribute an additional after tax amount up to 10% of his or her gross compensation annually. The employer's contribution is 10% of the employees' gross compensation annually, and is non-taxable at the time of contribution. The total annual contributions are limited for each employee to the lesser of \$30,000 or 25% of total non-deferred taxable compensation.

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 7 – PENSION PLAN – DEFINED CONTRIBUTION PLAN – (continued)

The following summarizes the activity in the plan for 2004:

Total value January 1, 2004	\$ 880,723
Employer contributions	48,007
Employee contributions	24,696
Interest earned-guaranteed accounts	1,162
Net investment (loss) from pooled accounts	<u>85,338</u>
Total additions	159,203
Payments to participants	(140,440)
Contract charges	<u>(9,606)</u>
Total deductions	<u>(150,046)</u>
Total value December 31, 2004	<u>\$ 889,880</u>
Covered payroll	<u>\$ 480,093</u>
Total payroll excluding fireman's payroll	<u>\$ 1,188,959</u>

Non-union employees were given a choice starting January 1, 2004 to change to defined benefit plant – MGRS #2. About 50% of the employees did so. Since plan is new, there is no actuarial information. Township required contribution's .0798%. Employee is 5% covered payroll \$ 48,104.

NOTE 8 – PENSION PLAN – DEFINED BENEFIT PLAN

The fire department of the township participates in the Michigan Municipal Employees Retirement System (MERS) which is an agent multiple-employer public employee retirement system (PERS) that is administered by the State of Michigan.

The MERS program was organized pursuant to Act No. 427, Public Acts of 1984, as amended, and the Constitution of the State of Michigan. The township has no fiduciary responsibility for the plan. All full-time employees of the fire department are eligible to participate in the plan immediately upon employment.

As of December 31, 2004 the fire department had nine covered employees and approximately 20 total employees. Covered and total payrolls for the year ended December 31, 2004 of the fire department were \$534,081 and \$702,559 respectively.

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 8 – PENSION PLAN – DEFINED BENEFIT PLAN – (continued)

The Township is covered under benefit program B-3. The plan provides for vesting of benefits after 10 years of service. Participants may elect normal retirement at age 60, with 10 or more years of service. The plan also provides for early retirement at age 55, with 15 or more years of service, and at age 50 with 25 or more years of service.

Employees contribute 6% of their gross wages on a calendar year basis.

The following information, which is the most current available, was extracted from the township's actuarial consultants, (Segal Company) report as of December 31, 2003 (which may be obtained at the Superior Township Hall). The amount shown as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to (a) help users assess the plan's funding status on a going-concern basis, (b) assess progress being made in accumulating sufficient assets to pay benefits when due, and (c) allow for comparisons among public employee retirement plans. The measure is independent of the actuarial funding method used to determine contributions to the plan.

The unfunded actuarial accrued liability was determined as part of an actuarial valuation of the plan as of December 31, 2004. Significant actuarial assumptions used in determining the unfunded actuarial accrued liability include (a) a rate of return on the investment of present and future assets of 8.0% per year compounded annually, (b) projected salary increases of 4.5% per year compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 4.5% per year, depending on age, attributable to seniority/merit, and (d) the assumption that benefits will not increase after retirement. For the year ending December 31, 2004 Superior Township contributed \$41,812.

Analysis of fund progress:

<u>VALUATION DATE</u>	<u>NUMBER</u>	<u>ANNUAL PAYROLL</u>	<u>ACCRUED LIABILITIES</u>	<u>VALUATION ASSETS</u>	<u>FUNDED PERCENT</u>	<u>UNFUNDED ACCRUED</u>
1990		\$	\$ 126,375	\$ 0	0	\$ 126,375
1991			253,270	30,912	12	222,358
1992			271,655	66,830	25	204,825
1993	6	242,862	491,619	108,968	22	382,651
1994	6	254,429	545,011	152,721	28	392,290
1995	6	260,370	618,348	234,594	38	383,754
1996	6	275,251	695,418	324,617	47	370,801
1997	6	288,844	772,786	433,854	56	338,932
1998	6	309,950	885,802	551,617	62	334,185
1999	6	314,248	966,209	692,510	72	273,699
2000	6	315,410	1,097,035	817,170	74	279,865
2001	6	317,189	1,316,845	940,122	71	376,723
2002	7	414,654	1,487,259	1,002,937	67	484,322
2003	9	534,081	1,585,665	1,145,915	72	439,750

No current information could be provided for the year ended December 31, 2004

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 8 – PENSION PLAN – DEFINED BENEFIT PLAN – (continued)

At December 31, 2003, the unfunded pension benefit obligation was \$439,750, determined as follows:

Pension Benefit Obligation:

Retirees and beneficiaries currently receiving benefits	\$ 292,887
Terminated employees not yet receiving benefits	0
Current employees –	
Accumulated employee contributions including allocated investment income	256,378
Employer financed – Vested	<u>1,036,400</u>
 Total actuarial accrued liability	 1,585,665
 Net assets available for benefits, actuarial value (Market Value is \$1,046,344)	 <u>1,145,915</u>
 Unfunded actuarial accrued liability	 <u><u>\$ 439,750</u></u>
 Fiscal Year Beginning	 January 1
 Annual Required Contribution (ARC)	 \$ 37,548
 Amortization Factor Used	 0.053632

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 9 – FUND BALANCE RESERVATIONS AND DESIGNATIONS

The following is a summary of all reservations and designations of fund balances for all governmental fund types.

	<u>General Fund</u>	<u>Fire</u>	<u>Building Fund</u>	<u>Parks and Recreation</u>	<u>Total</u>
RESERVED:					
Park land development	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 12,414</u>	<u>\$ 12,414</u>
DESIGNATED:					
Parkland				6,932	6,932
Truck replacement		371,776			371,776
Retirement health	30,354	252,201	48,218	5,634	336,407
Compensated absences	18,887	154,921	16,000		189,808
General reserve	<u> </u>	<u> </u>	<u>261,647</u>	<u> </u>	<u>261,647</u>
Total designated	<u>\$ 49,241</u>	<u>\$778,898</u>	<u>\$325,865</u>	<u>\$ 12,566</u>	<u>\$1,166,570</u>

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 10 – DEPOSITS WITH FINANCIAL INSTITUTIONS

Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit union, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal Agency obligation repurchase agreements; bankers; acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan. The Township's deposits and investments are in accordance with statutory authority.

The Governmental Accounting Standards Board Statement No. 3 risk disclosures for the Township's deposits and investments are as follows:

<u>Deposits</u>	<u>Primary Government</u>	<u>Fiduciary Funds</u>	<u>Total</u>	<u>Bank Balance</u>
Insured	\$ 300,000	\$	\$ 300,000	300,000
Uninsured and uncollateralized	<u>15,975,213</u>	<u>4,265,951</u>	<u>20,241,164</u>	<u>20,601,558</u>
Total deposits	<u>\$ 16,275,213</u>	<u>\$ 4,265,951</u>	<u>\$ 20,541,164</u>	<u>\$ 20,901,558</u>

NOTE 11 – IMPLEMENTATION OF GASB STATEMENT NO. 34

The Township has implemented the standards required by GASB Statement No. 34 for the year ended December 31, 2004. All required statements and disclosures have been included in the basic financial statements.

NOTE 12 – CONTINGENT LIABILITIES – LITIGATION

The Township is currently involved in several disputes related to assessment and zoning matters. Some of these disputes could result in substantial costs to the township. An estimate of the costs could not be made as of the report date.

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

NOTE 13 – ECONOMIC DEPENDENCY

The water and sewer fund is economically dependent on one unit, St. Joseph Hospital. This unit makes up for approximately 26% of the total billings of the system.

NOTE 14 – POST EMPLOYMENT BENEFITS

Per the 2001 – 2004 Superior Township Firefighters Contract, an employee who retires after completing twenty-five years of retirement credited service shall be eligible to receive medical insurance, as does the spouse.

A total of \$10,897 was spent this year on Retirees Health Insurance. No actuarial evaluation has been made for this program.

NOTE 15 – GRANT ACTIVITIES AND CONTINGENCIES

The grants have been received by the Charter Township of Superior for various fire department and parks and recreation activities. These grants are subject to financial and compliance audits by the grantors or their representatives. The audits for the year ended December 31, 2004 have not yet been completed.

NOTE 16 – RECONCILIATION OF FUND FINANCIAL STATEMENTS
TO GOVERNMENT – WIDE FINANCIAL STATEMENTS

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Total fund balance per balance sheet		\$ 3,168,382
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Historical cost	\$ 6,264,317	
Depreciation	<u>(1,478,091)</u>	
Capital assets net of depreciation		4,786,226
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These include:		
Bonds payable	(1,455,000)	
Compensated absences	<u>(219,385)</u>	
Total		<u>(1,674,385)</u>
Net assets of governmental activities		<u>\$ 6,280,223</u>

CHARTER TOWNSHIP OF SUPERIOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

**NOTE 16 – RECONCILIATION OF FUND FINANCIAL STATEMENTS
TO GOVERNMENT – WIDE FINANCIAL STATEMENTS (continued)**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances – governmental funds	\$ (1,552,392)
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Governmental funds report capital outlay as expenditures.
However, in the Statement of activities the cost of those assets
is allocated over their useful live as depreciation expense. The
amount by which capital outlays exceeded depreciation is as follows:

Capital outlay	\$ 1,776,116	
Depreciation expense	<u>(150,948)</u>	
Total		1,625,168

Repayment of bond and contracts payable is an expenditure in
governmental funds, but the repayment reduces long-term liabilities
in the Statement of Net assets

Repayment of bonds payable	45,000
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Accrued absences for vacation and sick time for the employees is
recorded on the Statement of Net Assets.

Accrued absences at December 31, 2004	(219,385)	
Accrued absences at December 31, 2003	<u>240,282</u>	
Total		<u>20,897</u>

Change in net assets of governmental activities	<u>\$ 138,673</u>
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NOTE 17 – WATER AND SEWER – SPECIAL ITEM – HEALTH SAVINGS EXPENSE

The Township approved a policy related to individual employee health savings accounts. The policy is retroactive for most employees. The Township will accrue \$1,200 per employee per year of employment, which is payable to the employee at retirement. The amount reported as a special item of \$151,000 is the retroactive amount for years prior to 2004. The amount related to 2004 is \$9,000 and is included with health insurance expense.

REQUIRED
SUPPLEMENTARY
INFORMATION

CHARTER TOWNSHIP OF SUPERIOR
GENERAL FUND
STATEMENT OF REVENUES – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	Budgets			Variance with Final Budget Over (Under)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 348,132	\$ 353,814	\$ 350,720	\$ (3,094)
Accounting services	13,000	13,000	14,000	1,000
Trailer fees	4,900	4,900	4,541	(359)
Cable TV fees	93,000	93,000	99,998	6,998
State shared revenues	861,580	789,632	789,328	(304)
Departmental fees	2,000	7,025	7,625	600
Planning department professional fees	176,000	402,666	351,865	(50,801)
Summer tax levy	18,605	19,450	19,723	273
Solid waste	1,500	1,500	2,708	1,208
Interest income	19,150	16,750	17,270	520
Building fund contribution	15,000	39,312	39,599	287
ROW fees		7,569	7,570	1
Ordinance violation fees	3,000	3,000	1,495	(1,505)
Penalties		1,891	2,433	542
Other income	3,090	5,090	3,023	(2,067)
Donation		15,000	9,400	(5,600)
Total revenues	1,558,957	1,773,599	1,721,298	(52,301)
EXPENDITURES				
Township board	149,432	151,486	138,091	13,395
Township supervisor	71,511	74,532	72,600	1,932
Elections	37,360	30,056	29,726	330
Accountant	68,883	86,771	83,826	2,945
Assessor	142,993	145,695	140,972	4,723
Township attorney	20,000	28,000	23,169	4,831
Township clerk	73,074	75,394	72,852	2,542
Board of review	1,075	1,335	756	579
Township treasurer	128,786	157,207	147,466	9,741
Computer service department	25,670	25,670	17,613	8,057
Buildings and grounds	48,188	52,756	43,074	9,682
Special projects	20,510	39,447	29,974	9,473
Cemetery upkeep	1,200	1,200	1,200	
Ordinance enforcement	16,113	17,113	15,535	1,578
Planning commission	185,051	409,733	351,712	58,021
Zoning board of appeals	1,223	1,643	1,129	514
Design review board	698	698	461	237
Wetlands board	2,316	2,316	713	1,603
Roads	150,000	148,000	138,753	9,247
Solid waste management system	10,700	13,300	11,101	2,199
Transportation system	20,500	20,500	18,665	1,835
Economic development	1,000	1,000	1,000	
Library	58,000	46,000	46,000	
Contingencies	66,000	1,000	918	82
Total expenditures	1,300,283	1,530,852	1,387,306	143,546

CHARTER TOWNSHIP OF SUPERIOR
GENERAL FUND
STATEMENT OF REVENUES - BUDGET AND ACTUAL – (continued)
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budgets</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Excess of revenues				
Excess of revenues over (under)				
expenditures	\$ 258,674	\$ 242,747	\$ 333,992	\$ 91,245
OTHER FINANCING SOURCES (USES)				
Transfers (out)	<u>(391,254)</u>	<u>(327,954)</u>	<u>(327,954)</u>	
Excess of revenues				
over (under) expenditures and other				
financing sources (uses)	(132,580)	(85,207)	6,038	91,245
FUND BALANCE, JANUARY 1, 2004	<u>945,780</u>	<u>945,780</u>	<u>945,780</u>	
FUND BALANCE, DECEMBER 31, 2004	<u>\$ 813,200</u>	<u>\$ 860,573</u>	<u>\$ 951,818</u>	<u>\$ 91,245</u>

CHARTER TOWNSHIP OF SUPERIOR
FIRE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	Budgets			Variance with Final Budget Over (Under)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 1,271,425	\$ 1,271,425	\$ 1,270,309	\$ (1,116)
Charges for services	4,000	4,000	5,650	1,650
Interest income	39,000	14,750	17,685	2,935
Total revenues	1,314,425	1,290,175	1,293,644	3,469
EXPENDITURES				
Personnel	894,660	966,960	914,214	52,746
Office supplies	1,200	1,200		1,200
Operating supplies	62,100	52,100	42,130	9,970
Repairs and maintenance – supplies	8,000	8,000	7,193	807
Professional services	14,000	10,500	9,926	574
Telephone	25,000	25,000	22,810	2,190
Transportation			453	(453)
Meals	1,000	1,000	361	639
Fire prevention	1,000	1,000	762	238
Insurance and bonds	35,000	51,950	51,916	34
Utilities	17,000	17,000	18,543	(1,543)
Repairs and maintenance – equipment	40,000	25,000	19,945	5,055
Books and periodicals	2,500	2,500	252	2,248
Memberships and dues	2,500	2,500	2,347	153
Tax chargebacks	3,000	3,000	2,413	587
Debt principle	45,000	45,000	45,000	
Debt Interest	49,450	49,450	49,450	
Equipment	15,000	5,000		5,000
Total expenditures	1,216,410	1,267,160	1,187,715	79,445
Excess of revenues over expenditures	98,015	23,015	105,929	82,914
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(446,000)	(605,905)	(605,906)	(1)
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(347,985)	(582,890)	(499,977)	82,913
FUND BALANCE, JANUARY 1, 2004	1,568,974	1,568,974	1,568,974	
FUND BALANCE, DECEMBER 31, 2004	\$ 1,220,989	\$ 986,084	\$ 1,068,997	\$ 82,913

CHARTER TOWNSHIP OF SUPERIOR
LAW ENFORCEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES – IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	Budgets			Variance with Final Budget Over (Under)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 355,773	\$ 355,773	\$ 355,472	\$ (301)
Fines and forfeits	25,000	25,000	32,817	7,817
Law enforcement	83,854	83,854	83,854	
Interest	1,800	1,800	1,440	(360)
Total revenues	<u>466,427</u>	<u>466,427</u>	<u>473,583</u>	<u>7,156</u>
EXPENDITURES				
Crime Control	687,032	687,032	691,415	(4,383)
Neighborhood Watch	4,453	4,453	832	3,621
Tax chargebacks	<u>1,000</u>	<u>1,000</u>	<u>655</u>	<u>345</u>
Total expenditures	<u>692,485</u>	<u>692,485</u>	<u>692,902</u>	<u>(417)</u>
Excess (deficiency) of revenues over (under) expenditures	(226,058)	(226,058)	(219,319)	6,739
OTHER FINANCING SOURCES				
Transfers in	<u>226,058</u>	<u>151,058</u>	<u>151,058</u>	
Excess of revenues over (under) expenditures and other financing sources		(75,000)	(68,261)	6,739
FUND BALANCE, JANUARY 1, 2004	<u>81,014</u>	<u>81,014</u>	<u>81,014</u>	
FUND BALANCE, DECEMBER 31, 2004	<u>\$ 81,014</u>	<u>\$ 6,014</u>	<u>\$ 12,753</u>	<u>\$ 6,739</u>

CHARTER TOWNSHIP OF SUPERIOR
SCHEDULES OF PENSION FUNDING PROGRESS (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2004

In accordance with the Governmental Accounting Standards Board Statements No. 25 and 27, the following information is a required part of the basic financial statements.

PARTICIPATING EMPLOYEES

<u>VALUATION DATE</u>	<u>NUMBER</u>	<u>ANNUAL PAYROLL</u>	<u>ACCRUED LIABILITIES</u>	<u>VALUATION ASSETS</u>	<u>FUNDED PERCENT</u>	<u>UNFUNDED ACCRUED</u>
1990		\$	\$ 126,375	\$ 0	0	\$ 126,375
1991			253,270	30,912	12	222,358
1992			271,655	66,830	25	204,825
1993	6	242,862	491,619	108,968	22	382,651
1994	6	254,429	545,011	152,721	28	392,290
1995	6	260,370	618,348	234,594	38	383,754
1996	6	275,251	695,418	324,617	47	370,801
1997	6	288,844	772,786	433,854	56	338,932
1998	6	309,950	885,802	551,617	62	334,185
1999	6	314,248	966,209	692,510	72	273,699
2000	6	315,410	1,097,035	817,170	74	279,865
2001	6	317,189	1,316,845	940,122	71	376,723
2002	7	414,654	1,487,259	1,002,937	67	484,322
2003	9	534,081	1,585,665	1,145,915	72	439,750

No current information could be provided for the year ended December 31, 2004.

SUPPLEMENTARY
INFORMATION

COMBINING
FINANCIAL STATEMENTS

CHARTER TOWNSHIP OF SUPERIOR
ALL SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2004

	<u>Building Fund</u>	<u>Fire Fund</u>	<u>Parks and Recreation Fund</u>
<u>ASSETS</u>			
ASSETS			
Cash and cash equivalents	\$ 689,704	\$ 1,202,661	\$ 76,054
Accounts receivable - taxes		863,831	
Accounts receivable – special assessments			
Due from other funds		567,090	27,532
Accounts receivable – other		814	455
Grant receivable			673
Prepaid expenditures	<u>1,738</u>	<u>14,323</u>	<u>1,988</u>
Total assets	<u>\$ 691,442</u>	<u>\$ 2,648,719</u>	<u>\$ 106,702</u>
<u>LIABILITIES AND FUND BALANCE</u>			
LIABILITIES			
Accounts payable	\$ 1,386	\$ 45,496	\$ 1,895
Deferred revenue		1,528,211	
Due to other funds	<u>7,772</u>	<u>6,015</u>	<u>3,935</u>
Total liabilities	<u>9,158</u>	<u>1,579,722</u>	<u>5,830</u>
FUND BALANCE			
Reserved:			
Park land development			12,414
Unreserved:			
Designated	325,865	778,898	12,566
Undesignated	<u>356,419</u>	<u>290,099</u>	<u>75,892</u>
Total fund equity	<u>682,284</u>	<u>1,068,997</u>	<u>100,872</u>
Total liabilities and fund equity	<u>\$ 691,442</u>	<u>\$ 2,648,719</u>	<u>\$ 106,702</u>

<u>Law Enforcement Fund</u>	<u>Streetlight Fund</u>	<u>Side Street Maintenance Fund</u>	<u>Totals</u>
\$ 64,722	\$ 57,495	\$ 5,914	\$ 2,096,550
370,207			1,234,038
	23,403	6,482	29,885
243,034	33,167	10,938	881,761
5,897	98		7,264
			673
			<u>18,049</u>
<u>\$ 683,860</u>	<u>\$ 114,163</u>	<u>\$ 23,334</u>	<u>\$ 4,268,220</u>

\$ 16,171	\$ 5,277	\$	\$ 70,225
654,936		17,420	2,200,567
	<u>54,949</u>		<u>72,671</u>
<u>671,107</u>	<u>60,226</u>	<u>17,420</u>	<u>2,343,463</u>

			12,414
			1,117,329
<u>12,753</u>	<u>53,937</u>	<u>5,914</u>	<u>795,014</u>
<u>12,753</u>	<u>53,937</u>	<u>5,914</u>	<u>1,924,757</u>
<u>\$ 683,860</u>	<u>\$ 114,163</u>	<u>\$ 23,334</u>	<u>\$ 4,268,220</u>

CHARTER TOWNSHIP OF SUPERIOR
ALL AGENCY FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2004

	Trust and Agency Fund	Current Tax Fund	Payroll Fund	Totals
<u>ASSETS</u>				
ASSETS				
Cash and cash equivalents	\$ 542,806	\$ 3,708,132	\$ 15,013	\$ 4,265,951
Due from other funds			30	30
Due from others			11,875	11,875
Total assets	<u>\$ 542,806</u>	<u>\$ 3,708,132</u>	<u>\$ 26,918</u>	<u>\$ 4,277,856</u>
 <u>LIABILITIES</u>				
LIABILITIES				
Due to others	\$ 537,255	\$ 2,696,873	\$ 25,578	\$ 3,259,706
Due to other funds	<u>5,551</u>	<u>1,011,259</u>	<u>1,340</u>	<u>1,018,150</u>
Total liabilities	<u>\$ 542,806</u>	<u>\$ 3,708,132</u>	<u>\$ 26,918</u>	<u>\$ 4,277,856</u>

CHARTER TOWNSHIP OF SUPERIOR
ALL SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2004

	Building Fund	Fire Fund	Parks and Recreation Fund	Law Enforcement Fund
REVENUES				
Taxes	\$	\$ 1,270,309	\$	\$ 355,472
Licenses and permits	500,349			
Donations			3,775	
Grants			20,672	
Charges for services		5,650	11,927	83,854
Rental income			15,691	
Administration fees	2,250			
Fines and forfeitures				32,817
Interest income	5,949	17,685	631	1,440
Other income			10,820	
Total revenues	<u>508,548</u>	<u>1,293,644</u>	<u>63,516</u>	<u>473,583</u>
EXPENDITURES				
Building department	356,387			
Fire protection		1,187,715		
Parks and recreation				
Administration			52,425	
Recreation			25,919	
Maintenance and improvements			125,312	
Grant expenses				
Buildings and grounds			31,103	
Law enforcement				
Crime control				691,415
Neighborhood watch				832
Tax chargebacks				655
Side street maintenance				
Utilities				
Total expenditures	<u>356,387</u>	<u>1,187,715</u>	<u>234,759</u>	<u>692,902</u>
Excess of revenues over (under) expenditures	152,161	105,929	(171,243)	(219,319)
OTHER FINANCING SOURCES (USES)				
Transfers in (out)		(605,906)	176,896	151,058
Excess of revenues over (under) expenditures and other financing sources	152,161	(499,977)	5,653	(68,261)
FUND BALANCE, JANUARY 1, 2004	<u>530,123</u>	<u>1,568,974</u>	<u>95,219</u>	<u>81,014</u>
FUND BALANCE, DECEMBER 31, 2004	<u>\$ 682,284</u>	<u>\$ 1,068,997</u>	<u>\$ 100,872</u>	<u>\$ 12,753</u>

Streetlight Fund	Side Street Maintenance Fund	Totals (Memorandum Only)	
		2004	2003
\$ 56,570	\$ 17,420	\$ 1,699,771	\$ 1,620,290
		500,349	624,765
		3,775	10,490
		20,672	50,288
		101,431	120,548
		15,691	13,202
		2,250	
		32,817	27,857
548	19	26,272	29,741
		10,820	3,273
<u>57,118</u>	<u>17,439</u>	<u>2,413,848</u>	<u>2,500,454</u>
		356,387	327,588
		1,187,715	1,004,242
		52,425	54,311
		25,919	8,736
		125,312	98,024
			44,640
		31,103	35,980
			618,570
		691,415	15,163
		832	2,081
		655	16,535
	13,400	13,400	20,053
<u>57,923</u>		<u>57,923</u>	<u>51,057</u>
<u>57,923</u>	<u>13,400</u>	<u>2,543,086</u>	<u>2,296,980</u>
(805)	4,039	(129,238)	203,474
		(277,952)	175,596
(805)	4,039	(407,190)	379,070
<u>54,742</u>	<u>1,875</u>	<u>2,331,947</u>	<u>1,952,877</u>
<u>\$ 53,937</u>	<u>\$ 5,914</u>	<u>\$ 1,924,757</u>	<u>\$ 2,331,947</u>

INDIVIDUAL
FUNDS

GENERAL
FUND

CHARTER TOWNSHIP OF SUPERIOR
GENERAL FUND
BALANCE SHEET
DECEMBER 31, 2004

ASSETS

ASSETS

Cash and cash equivalents	\$ 722,955
Accounts receivable - taxes	215,995
Accounts receivable - state shared revenues	276,670
Accounts receivable - other	56,493
Due from other funds	209,470
Prepaid expenditures	<u>6,184</u>

Total assets \$ 1,487,767

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 116,281
Deferred revenue	392,121
Due to other funds	<u>27,547</u>

Total liabilities \$ 535,949

FUND BALANCE

Unreserved	
Undesignated	902,577
Designated	<u>49,241</u>

Total fund balance 951,818

Total liabilities and fund balance \$ 1,487,767

CHARTER TOWNSHIP OF SUPERIOR
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES	\$ 1,773,599	\$ 1,721,298	\$ (52,301)
EXPENDITURES	<u>1,530,852</u>	<u>1,387,306</u>	<u>143,546</u>
Excess of revenues over expenditures before other financing sources	242,747	333,992	91,245
OTHER FINANCING (USES)			
Transfers (out)	<u>(327,954)</u>	<u>(327,954)</u>	<u> </u>
Excess (deficiency) of revenues over expenditures after other financing sources	(85,207)	6,038	91,245
FUND BALANCE, JANUARY 1, 2004	<u>945,780</u>	<u>945,780</u>	<u> </u>
FUND BALANCE, DECEMBER 31, 2004	<u>\$ 860,573</u>	<u>\$ 951,818</u>	<u>\$ 91,245</u>

CHARTER TOWNSHIP OF SUPERIOR
GENERAL FUND
STATEMENT OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 353,814	\$ 350,720	\$ (3,094)
Accounting services	13,000	14,000	1,000
Trailer fees	4,900	4,541	(359)
Cable TV fees	93,000	99,998	6,998
State shared revenues	789,632	789,328	(304)
Departmental fees	7,025	7,625	600
Planning department professional fees	402,666	351,865	(50,801)
Summer tax levy	19,450	19,723	273
Solid waste	1,500	2,708	1,208
Interest income	16,750	17,270	520
Building fund contribution	39,312	39,599	287
ROW fees	7,569	7,570	1
Ordinance violation fees	3,000	1,495	(1,505)
Penalties	1,891	2,433	542
Other income	5,090	3,023	(2,067)
Donation	<u>15,000</u>	<u>9,400</u>	<u>(5,600)</u>
Total revenues	<u>\$ 1,773,599</u>	<u>\$ 1,721,298</u>	<u>\$ (52,301)</u>

CHARTER TOWNSHIP OF SUPERIOR
GENERAL FUND
STATEMENT OF EXPENDITURES – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TOWNSHIP BOARD			
Salaries	\$ 10,000	\$ 10,500	\$ (500)
Assistant wages	21,178	21,139	39
Part-time wages	800		800
Contract services	300	200	100
Training	1,500	1,068	432
Payroll taxes	2,584	2,460	124
Health insurance	2,440	2,261	179
Prescription Reimbursement	1,800	1,100	700
Taxable benefits	791	527	264
Pension	2,663	1,313	1,350
Unemployment taxes	1,246	1,246	
Office supplies	10,000	7,368	2,632
Postage	14,000	12,504	1,496
Professional services	4,500	3,898	602
Professional services - other	7,500	7,650	(150)
Telephone	8,500	8,886	(386)
Insurance and bonds	25,500	25,602	(102)
Transportation	2,350	2,400	(50)
Meals and lodging	1,000	647	353
Printing and publishing	6,250	6,538	(288)
Printing for resale	2,800	1,033	1,767
Printing and publishing - newsletter	7,500	4,562	2,938
Repairs and maintenance	4,700	3,749	951
Equipment rental	2,184	2,184	
Books and periodicals		221	(221)
Memberships and dues	9,400	8,890	510
Bank charges		145	(145)
	<u>151,486</u>	<u>138,091</u>	<u>13,395</u>
Total			

CHARTER TOWNSHIP OF SUPERIOR
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TOWNSHIP SUPERVISOR			
Salary	57,834	57,834	
Payroll taxes	4,924	4,727	197
Health insurance	1,550	1,453	97
Taxable benefits	4,440	3,958	482
Pension	<u>5,784</u>	<u>4,628</u>	<u>1,156</u>
Total	<u>74,532</u>	<u>72,600</u>	<u>1,932</u>
ELECTIONS			
Salaries	21,360	21,235	125
Contracted services		171	(171)
Payroll taxes	380	410	(30)
Supplies	3,750	3,402	348
Printing and publishing	871	1,523	(652)
Professional services	1,000	343	657
Equipment	2,270	2,266	4
Postage	<u>425</u>	<u>376</u>	<u>49</u>
Total	<u>30,056</u>	<u>29,726</u>	<u>330</u>
ACCOUNTANT			
Salary	39,781	39,657	124
Assistant	21,906	21,912	(6)
Training	300		300
Payroll taxes	5,014	4,923	91
Health insurance	7,222	6,530	692
Taxable benefits	5,346	2,673	2,673
Pension	6,202	7,138	(936)
Operating supplies	<u>1,000</u>	<u>993</u>	<u>7</u>
Total	<u>86,771</u>	<u>83,826</u>	<u>2,945</u>

CHARTER TOWNSHIP OF SUPERIOR
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
ASSESSOR			
Salary	48,798	48,801	(3)
Assistant wages	29,195	29,175	20
Other staff	27,093	27,094	(1)
Training	500	475	25
Payroll taxes	8,278	8,370	(92)
Health insurance	14,100	12,615	1,485
Taxable benefits	3,018	2,455	563
Pension	10,821	9,101	1,720
Operating supplies	1,692	1,181	511
Transportation	1,200	1,168	32
Meals and lodging	500	147	353
Memberships and dues	500	390	110
Total	<u>145,695</u>	<u>140,972</u>	<u>4,723</u>
TOWNSHIP ATTORNEY			
Professional services	<u>28,000</u>	<u>23,169</u>	<u>4,831</u>
TOWNSHIP CLERK			
Salary	53,208	53,208	
Deputy salary	1,500		1,500
Payroll taxes	4,188	4,070	118
Health insurance	11,100	10,249	851
Pension	5,398	5,325	73
Total	<u>75,394</u>	<u>72,852</u>	<u>2,542</u>
BOARD OF REVIEW			
Contract services	320	170	150
Salaries	360	370	(10)
Payroll taxes	60	28	32
Printing and publishing	200		200
Training	375	168	207
Transportation	20	20	
Total	<u>1,335</u>	<u>756</u>	<u>579</u>

CHARTER TOWNSHIP OF SUPERIOR
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TOWNSHIP TREASURER			
Salary	53,208	53,208	
Deputy salary	30,763	30,762	1
Treasurer assistant	24,159	24,146	13
Training	500	195	305
Payroll taxes	11,440	8,749	2,691
Health insurance	13,159	12,922	237
Taxable benefits	10,530	6,248	4,282
Pension	10,448	9,025	1,423
Operating supplies	<u>3,000</u>	<u>2,211</u>	<u>789</u>
Total	<u>157,207</u>	<u>147,466</u>	<u>9,741</u>
COMPUTER SERVICE DEPARTMENT			
Salaries	3,120	3,370	(250)
Operating supplies	5,000	2,024	2,976
Professional service	11,000	8,379	2,621
Equipment	6,000	3,592	2,408
Payroll taxes	238	248	(10)
Pension	<u>312</u>	<u> </u>	<u>312</u>
Total	<u>25,670</u>	<u>17,613</u>	<u>8,057</u>
BUILDINGS AND GROUNDS			
Salaries	12,942	12,639	303
Contract services	1,800	1,875	(75)
Payroll taxes	990	967	23
Pension	1,295	1,264	31
Taxable benefits	1,600		1,600
Operating supplies	6,000	5,391	609
Small equipment	1,250	1,308	(58)
Transportation	100	115	(15)
Utilities	15,100	12,293	2,807
Drains	5,000		5,000
Repairs and maintenance	6,273	7,222	(949)
Equipment	400		400
Taxes	<u>6</u>	<u> </u>	<u>6</u>
Total	<u>52,756</u>	<u>43,074</u>	<u>9,682</u>

CHARTER TOWNSHIP OF SUPERIOR
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
SPECIAL PROJECTS			
Insect control	587	587	
Internet project	1,500	600	900
Growth management	5,000	4,202	798
Rouge/Huron general permit/project	4,160	3,612	548
Geddes road traffic study	15,000	9,400	5,600
Rouge watershed	7,500	7,373	127
N.E. seniors program/Meals on Wheels	4,150	2,650	1,500
Miscellaneous projects	<u>1,550</u>	<u>1,550</u>	
Total	<u>39,447</u>	<u>29,974</u>	<u>9,473</u>
CEMETERY UPKEEP	<u>1,200</u>	<u>1,200</u>	
ORDINANCE ENFORCEMENT			
Salaries - ordinance enforcement	6,158	6,345	(187)
Salary - zoning officer	5,708	5,708	
Contract services	2,000	992	1,008
Payroll taxes	926	930	(4)
Taxable benefits	581	110	471
Pension	1,140	1,087	53
Operating supplies	100	39	61
Transportation	<u>500</u>	<u>324</u>	<u>176</u>
Total	<u>17,113</u>	<u>15,535</u>	<u>1,578</u>

CHARTER TOWNSHIP OF SUPERIOR
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
PLANNING COMMISSION			
Salaries	12,000	7,160	4,840
Assistant wages	38,902	39,552	(650)
Part time wages	1,500	635	865
Training	300	50	250
Health insurance	4,700	4,326	374
Payroll taxes	3,530	3,814	(284)
Taxable benefits	2,453	2,497	(44)
Pension	3,248	4,210	(962)
Professional services - engineering	178,000	158,334	19,666
Meeting costs	2,000		2,000
Professional fees - planning	158,100	126,214	31,886
Printing and publishing	<u>5,000</u>	<u>4,920</u>	<u>80</u>
Total	<u>409,733</u>	<u>351,712</u>	<u>58,021</u>
ZONING BOARD OF APPEALS			
Salary	300	300	
Training	300		300
Contract services	720	720	
Payroll taxes	23	23	
Printing and publishing	<u>300</u>	<u>86</u>	<u>214</u>
Total	<u>1,643</u>	<u>1,129</u>	<u>514</u>
DESIGN REVIEW BOARD			
Salaries	300	150	150
Contract services	300	300	
Payroll taxes	23	11	12
Printing and publishing	<u>75</u>		<u>75</u>
Total	<u>698</u>	<u>461</u>	<u>237</u>
WETLANDS BOARD			
Salaries	200	105	95
Payroll taxes	16	8	8
Professional services	1,000		1,000
Contract services	800	560	240
Printing and publishing	<u>300</u>	<u>40</u>	<u>260</u>
Total	<u>2,316</u>	<u>713</u>	<u>1,603</u>

CHARTER TOWNSHIP OF SUPERIOR
GENERAL FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
ROADS			
Roads	<u>148,000</u>	<u>138,753</u>	<u>9,247</u>
 SOLID WASTE MANAGEMENT SYSTEM			
Recycling	8,600	7,237	1,363
Bag and tag	2,200	1,360	840
Rubbish collection	<u>2,500</u>	<u>2,504</u>	<u>(4)</u>
Total	<u>13,300</u>	<u>11,101</u>	<u>2,199</u>
 TRANSPORTATION SYSTEM			
A.A.T.A. contract	14,500	13,853	647
Project costs	<u>6,000</u>	<u>4,812</u>	<u>1,188</u>
Total	<u>20,500</u>	<u>18,665</u>	<u>1,835</u>
 ECONOMIC DEVELOPMENT			
W.D.C. contract	<u>1,000</u>	<u>1,000</u>	
 LIBRARY			
Library contribution	<u>46,000</u>	<u>46,000</u>	
 CONTINGENCIES			
Tax chargebacks	<u>1,000</u>	<u>918</u>	<u>82</u>
Total expenditures	<u>\$ 1,530,852</u>	<u>\$ 1,387,306</u>	<u>\$ 143,546</u>

BUILDING
FUND

CHARTER TOWNSHIP OF SUPERIOR
BUILDING FUND
BALANCE SHEET
DECEMBER 31, 2004

ASSETS

ASSETS

Cash and cash equivalents	\$ 689,704	
Prepaid expenditures	<u>1,738</u>	
Total assets		<u>\$ 691,442</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 1,386	
Due to other funds	<u>7,772</u>	
Total liabilities		\$ 9,158

FUND BALANCE

Unreserved		
Undesignated	356,419	
Designated	<u>325,865</u>	
Total fund balance		<u>682,284</u>
Total liabilities and fund balance		<u>\$ 691,442</u>

CHARTER TOWNSHIP OF SUPERIOR
BUILDING FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Business licenses and permits	\$ 500,842	\$ 500,349	\$ (493)
Administration fees	1,400	2,250	850
Interest	<u>2,400</u>	<u>5,949</u>	<u>3,549</u>
Total revenues	<u>504,642</u>	<u>508,548</u>	<u>3,906</u>
EXPENDITURES			
Accountant	21,730	15,874	5,856
Computer support	7,000	4,448	2,552
Maintenance	4,000	6,238	(2,238)
Project costs	1,000	44	956
Salaries	181,738	169,086	12,652
Contract services	100,000	60,524	39,476
Training	2,000	470	1,530
Payroll taxes	12,880	14,041	(1,161)
Health insurance	24,124	13,465	10,659
Prescription reimbursement		38	(38)
Taxable benefits	13,801	14,435	(634)
Pension	20,813	16,030	4,783
Office supplies	1,500	273	1,227
Postage	2,500	2,248	252
Operating supplies	3,000	2,988	12
Equipment	3,800	3,790	10
Professional services	7,600	6,455	1,145
Telephone	3,800	3,447	353
Insurance	6,500	6,501	(1)
Transportation	10,000	7,917	2,083
Meals and lodging	2,000	71	1,929
Utilities	1,900	936	964
Repairs and maintenance	3,000	1,991	1,009
Equipment rental		415	(415)
Membership and dues	1,500	1,325	175
Books and periodicals	3,500	3,030	470
Printing and publishing	310	307	3
Equipment	1,000		1,000
Construction board of appeals	750		750
Building construction fund	<u>7,000</u>		<u>7,000</u>
Total expenditures	<u>448,746</u>	<u>356,387</u>	<u>92,359</u>
Excess of revenues over expenditures	55,896	152,161	96,265
FUND BALANCE, JANUARY 1, 2004	<u>530,123</u>	<u>530,123</u>	
FUND BALANCE, DECEMBER 31, 2004	<u>\$ 586,019</u>	<u>\$ 682,284</u>	<u>\$ 96,265</u>

FIRE
FUND

CHARTER TOWNSHIP OF SUPERIOR
FIRE FUND
BALANCE SHEET
DECEMBER 31, 2004

ASSETS

ASSETS

Cash and cash equivalents	\$ 1,202,661	
Accounts receivable - others	814	
Accounts receivable - taxes	863,831	
Due from other funds	567,090	
Prepaid expenditures	<u>14,323</u>	
Total assets		<u>\$ 2,648,719</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 45,496	
Deferred revenue	1,528,211	
Due to other funds	<u>6,015</u>	
Total liabilities		\$ 1,579,722

FUND BALANCE

Unreserved		
Designated	778,898	
Undesignated	<u>290,099</u>	
Total fund balance		<u>1,068,997</u>
Total liabilities and fund balance		<u>\$ 2,648,719</u>

CHARTER TOWNSHIP OF SUPERIOR
FIRE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 1,271,425	\$ 1,270,309	\$ (1,116)
Charges for services	4,000	5,650	1,650
Interest income	<u>14,750</u>	<u>17,685</u>	<u>2,935</u>
Total revenues	1,290,175	1,293,644	3,469
EXPENDITURES	<u>1,267,160</u>	<u>1,187,715</u>	<u>79,445</u>
Excess of revenues over expenditures	23,015	105,929	82,914
OTHER FINANCING (USES)			
Transfers (out)	<u>(605,905)</u>	<u>(605,906)</u>	<u>(1)</u>
Excess of revenues over (under) expenditures and other financing (uses)	(582,890)	(499,977)	82,913
FUND BALANCE, JANUARY 1, 2004	<u>1,568,974</u>	<u>1,568,974</u>	<u> </u>
FUND BALANCE, DECEMBER 31, 2004	<u><u>\$ 986,084</u></u>	<u><u>\$ 1,068,997</u></u>	<u><u>\$ 82,913</u></u>

CHARTER TOWNSHIP OF SUPERIOR
FIRE FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES			
Salaries	\$ 600,631	\$ 572,291	\$ 28,340
Fire chief – salary	34,112	30,679	3,433
Part-time wages	26,200	23,395	2,805
Training	1,000	1,480	(480)
Payroll taxes	56,481	53,746	2,735
Health insurance	92,900	86,671	6,229
Taxable benefits	9,552	8,454	1,098
Benefit time cash out	59,000	53,615	5,385
Pension	58,000	55,327	2,673
Pension – chief	3,411	4,036	(625)
Uniform allowance	9,896	8,488	1,408
Food allowance	9,576	10,520	(944)
Holiday allowance	6,201	5,512	689
Office supplies	1,200		1,200
Operating supplies	52,100	42,130	9,970
Repairs and maintenance - supplies	8,000	7,193	807
Professional services	10,500	9,926	574
Telephone	25,000	22,810	2,190
Transportation		453	(453)
Meals and lodging	1,000	361	639
Fire prevention	1,000	762	238
Insurance and bonds	51,950	51,916	34
Utilities	17,000	18,543	(1,543)
Repairs and maintenance - equipment	25,000	19,945	5,055
Books and periodicals	2,500	252	2,248
Memberships and dues	2,500	2,347	153
Tax chargebacks	3,000	2,413	587
Debt principle	45,000	45,000	
Debt interest	49,450	49,450	
Equipment	<u>5,000</u>		<u>5,000</u>
Total expenditures	<u>\$ 1,267,160</u>	<u>\$ 1,187,715</u>	<u>\$ 79,445</u>

CHARTER TOWNSHIP OF SUPERIOR
FIRE FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES			
Salaries	\$ 600,631	\$ 572,291	\$ 28,340
Fire chief – salary	34,112	30,679	3,433
Part-time wages	26,200	23,395	2,805
Training	1,000	1,480	(480)
Payroll taxes	56,481	53,746	2,735
Health insurance	92,900	86,671	6,229
Taxable benefits	9,552	8,454	1,098
Benefit time cash out	59,000	53,615	5,385
Pension	58,000	55,327	2,673
Pension – chief	3,411	4,036	(625)
Uniform allowance	9,896	8,488	1,408
Food allowance	9,576	10,520	(944)
Holiday allowance	6,201	5,512	689
Office supplies	1,200		1,200
Operating supplies	52,100	42,130	9,970
Repairs and maintenance - supplies	8,000	7,193	807
Professional services	10,500	9,926	574
Telephone	25,000	22,810	2,190
Transportation		453	(453)
Meals and lodging	1,000	361	639
Fire prevention	1,000	762	238
Insurance and bonds	51,950	51,916	34
Utilities	17,000	18,543	(1,543)
Repairs and maintenance - equipment	25,000	19,945	5,055
Books and periodicals	2,500	252	2,248
Memberships and dues	2,500	2,347	153
Tax chargebacks	3,000	2,413	587
Debt principle	45,000	45,000	
Debt interest	49,450	49,450	
Equipment	5,000		5,000
Designated for building improvements	605,905	605,905	
Designated for truck replacement	61,000	64,521	(3,521)
Designated for retirement health	37,015	39,939	(2,924)
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>\$ 1,971,080</u>	<u>\$ 1,898,080</u>	<u>\$ 73,000</u>

This schedule is prepared on a budgetary basis and as such does not present the expenditures for the year on the basis of generally accepted accounting principles but is presented for supplemental information. This schedule includes transfers to designated cash funds.

PARKS AND RECREATION
FUND

CHARTER TOWNSHIP OF SUPERIOR
PARKS AND RECREATION FUND
BALANCE SHEET
DECEMBER 31, 2004

ASSETS

ASSETS

Cash and cash equivalents	\$ 76,054
Prepaid expenditures	1,988
Due from others	455
Due from other funds	27,532
Grant receivable	<u>673</u>

Total assets	<u>\$ 106,702</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 1,895
Due to other funds	<u>3,935</u>

Total liabilities	\$ 5,830
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FUND BALANCE

Reserved:	
Park land development	12,414
Unreserved:	
Designated	12,566
Undesignated	<u>75,892</u>

Total fund balance	<u>100,872</u>
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Total liabilities and fund balance	<u>\$ 106,702</u>
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CHARTER TOWNSHIP OF SUPERIOR
PARKS AND RECREATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Grants	\$ 19,999	\$ 20,672	\$ 673
User fees	12,845	11,927	(918)
Interest income	471	631	160
Rental income	15,270	15,691	421
Donations	700	3,775	3,075
Miscellaneous income	<u>10,351</u>	<u>10,820</u>	<u>469</u>
Total revenues	59,636	63,516	3,880
EXPENDITURES	<u>236,082</u>	<u>234,759</u>	<u>1,323</u>
Excess of revenues over (under) expenditures	(176,446)	(171,243)	5,203
OTHER FINANCING SOURCES			
Transfers in	<u>178,446</u>	<u>176,896</u>	<u>(1,550)</u>
Excess of revenue over (under) expenditures and other financing sources	2,000	5,653	3,653
FUND BALANCE, JANUARY 1, 2004	<u>95,219</u>	<u>95,219</u>	<u></u>
FUND BALANCE, DECEMBER 31, 2004	<u><u>\$ 97,219</u></u>	<u><u>\$ 100,872</u></u>	<u><u>\$ 3,653</u></u>

CHARTER TOWNSHIP OF SUPERIOR
PARKS AND RECREATION FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
ADMINISTRATION			
Salaries	\$ 31,775	\$ 31,662	\$ 113
Operating supplies	143	275	(132)
Payroll taxes	2,679	2,541	138
Taxable benefits	1,560	1,560	
Health insurance	2,358	2,343	15
Prescription reimbursement	250	188	62
Pension	2,256	2,040	216
Insurance and bonds	1,850	2,303	(453)
Office supplies	1,640	981	659
Professional services	975	975	
Professional services - accountant	6,000	5,884	116
Repairs and maintenance	237	237	
Telephone	1,200	1,004	196
Transportation	250	225	25
Miscellaneous	<u>330</u>	<u>207</u>	<u>123</u>
Totals	<u>53,503</u>	<u>52,425</u>	<u>1,078</u>
RECREATION			
Salaries	22,365	16,506	5,859
Contract services		5,665	(5,665)
Payroll taxes	1,230	1,262	(32)
Operating supplies	1,650	1,595	55
Pension		13	(13)
Admission fees	53	48	5
Repair and maintenance	500	521	(21)
Transportation	<u>310</u>	<u>309</u>	<u>1</u>
Totals	<u>26,108</u>	<u>25,919</u>	<u>189</u>

CHARTER TOWNSHIP OF SUPERIOR
PARKS AND RECREATION FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL (continued)
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
MAINTENANCE AND IMPROVEMENTS			
Salaries	37,537	37,537	
Seasonal wages	23,525	23,560	(35)
Payroll taxes	4,629	4,779	(150)
Health insurance	11,203	11,057	146
Taxable benefits	1,380	1,380	
Pension	3,722	4,131	(409)
Operating supplies	1,979	1,924	55
Uniforms	908	963	(55)
Fuel and lubricants	3,072	2,994	78
Telephone	998	1,034	(36)
Transportation	28	28	
Utilities	320	279	41
Repairs and maintenance	3,399	2,792	607
Controlled burns		3,275	(3,275)
Small tools	1,665	1,646	19
Equipment rental	6,707	6,706	1
Beautification project	<u>23,025</u>	<u>21,227</u>	<u>1,798</u>
Totals	<u>124,097</u>	<u>125,312</u>	<u>(1,215)</u>
BUILDINGS AND GROUNDS			
Salaries	8,002	7,566	436
Payroll taxes	578	579	(1)
Utilities	7,850	6,926	924
Repairs and maintenance	14,559	3,922	10,637
Equipment	200	10,637	(10,437)
Operating supplies	<u>1,185</u>	<u>1,473</u>	<u>(288)</u>
Totals	<u>32,374</u>	<u>31,103</u>	<u>1,271</u>
Total expenditures	<u>\$ 236,082</u>	<u>\$ 234,759</u>	<u>\$ 1,323</u>

LAW ENFORCEMENT
FUND

CHARTER TOWNSHIP OF SUPERIOR
LAW ENFORCEMENT FUND
BALANCE SHEET
DECEMBER 31, 2004

ASSETS

ASSETS

Cash and cash equivalents	\$ 64,722
Accounts receivable - taxes	370,207
Accounts receivable - others	5,897
Due from other funds	<u>243,034</u>

Total assets

\$ 683,860

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 16,171
Deferred revenue	<u>654,936</u>

Total liabilities

\$ 671,107

FUND BALANCE

12,753

Total liabilities and fund balance

\$ 683,860

CHARTER TOWNSHIP OF SUPERIOR
LAW ENFORCEMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 355,773	\$ 355,472	\$ (301)
Fines and forfeits	25,000	32,817	7,817
Law enforcement	83,854	83,854	
Interest	<u>1,800</u>	<u>1,440</u>	<u>(360)</u>
Total revenues	466,427	473,583	7,156
EXPENDITURES	<u>692,485</u>	<u>692,902</u>	<u>(417)</u>
Excess of revenues over (under) expenditures	(226,058)	(219,319)	6,739
OTHER FINANCING SOURCES			
Transfers in	<u>151,058</u>	<u>151,058</u>	
Excess of revenues over (under) expenditures and other financing sources	(75,000)	(68,261)	6,739
FUND BALANCE, JANUARY 1, 2004	<u>81,014</u>	<u>81,014</u>	
FUND BALANCE, DECEMBER 31, 2004	<u>\$ 6,014</u>	<u>\$ 12,753</u>	<u>\$ 6,739</u>

CHARTER TOWNSHIP OF SUPERIOR
LAW ENFORCEMENT FUND
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES			
Crime Control			
Contract services	\$ 670,832	\$ 675,280	\$ (4,448)
Operating supplies	100		100
Professional services	12,000	11,937	63
Printing and publishing	1,000	815	185
Utilities	2,600	3,225	(625)
Repairs and maintenance	<u>500</u>	<u>158</u>	<u>342</u>
Totals	<u>687,032</u>	<u>691,415</u>	<u>(4,383)</u>
Neighborhood Watch			
Salaries	2,000	693	1,307
Social security	153	53	100
Operating supplies	600	78	522
Transportation	100		100
Printing and publishing	800		800
Postage	<u>800</u>	<u>8</u>	<u>792</u>
Totals	<u>4,453</u>	<u>832</u>	<u>3,621</u>
Contingencies			
Tax chargebacks	<u>1,000</u>	<u>655</u>	<u>345</u>
Total expenditures	<u>\$ 692,485</u>	<u>\$ 692,902</u>	<u>\$ (417)</u>

STREETLIGHT
FUND

CHARTER TOWNSHIP OF SUPERIOR
STREETLIGHT FUND
BALANCE SHEET
DECEMBER 31, 2004

ASSETS

ASSETS

Cash and cash equivalents	\$ 57,495
Accounts receivable – special assessments	23,403
Due from other funds	33,167
Due from others	<u>98</u>

Total assets \$ 114,163

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 5,277
Due to other fund	<u>54,949</u>

Total liabilities \$ 60,226

FUND BALANCE

53,937

Total liabilities and fund balance \$ 114,163

CHARTER TOWNSHIP OF SUPERIOR
STREETLIGHT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$ 59,345	\$ 56,570	\$ (2,775)
Interest income		<u>548</u>	<u>548</u>
Total revenues	<u>59,345</u>	<u>57,118</u>	<u>(2,227)</u>
EXPENDITURES			
Utilities	51,152	57,473	(6,321)
Professional services	<u>1,130</u>	<u>450</u>	<u>680</u>
Total expenditures	<u>52,282</u>	<u>57,923</u>	<u>(5,641)</u>
Excess of revenues over (under) expenditures	7,063	(805)	(7,868)
FUND BALANCE, JANUARY 1, 2004	<u>54,742</u>	<u>54,742</u>	
FUND BALANCE, DECEMBER 31, 2004	<u><u>\$ 61,805</u></u>	<u><u>\$ 53,937</u></u>	<u><u>\$ (7,868)</u></u>

SIDE STREET
MAINTENANCE
FUND

CHARTER TOWNSHIP OF SUPERIOR
SIDE STREET MAINTENANCE FUND
BALANCE SHEET
DECEMBER 31, 2004

ASSETS

ASSETS

Cash	\$ 5,914
Due from other funds	10,938
Accounts receivable – special assessments	<u>6,482</u>
Total assets	<u>\$ 23,334</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Deferred revenues	\$ 17,420
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FUND BALANCE

5,914

Total liabilities and fund balance	<u>\$ 23,334</u>
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CHARTER TOWNSHIP OF SUPERIOR
SIDE STREET MAINTENANCE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Special assessments	\$ 17,420	\$ 17,420	\$
Interest income	<u>40</u>	<u>19</u>	<u>(21)</u>
Total revenues	<u>17,460</u>	<u>17,439</u>	<u>(21)</u>
EXPENDITURES			
Contract services	13,650	13,400	250
Project costs	3,790		3,790
Operating supplies	<u>20</u>	<u></u>	<u>20</u>
Total expenditures	<u>17,460</u>	<u>13,400</u>	<u>4,060</u>
Excess of revenues over expenditures		4,039	4,039
FUND BALANCE, JANUARY 1, 2004	<u>1,875</u>	<u>1,875</u>	<u></u>
FUND BALANCE, DECEMBER 31, 2004	<u><u>\$ 1,875</u></u>	<u><u>\$ 5,914</u></u>	<u><u>\$ 4,039</u></u>

FIRE HALL
CONSTRUCTION
FUND

CHARTER TOWNSHIP OF SUPERIOR
FIRE HALL CONSTRUCTION FUND
BALANCE SHEET
DECEMBER 31, 2004

ASSETS

ASSETS

Cash and cash equivalents

\$ 454,909

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable

\$ 163,102

FUND BALANCE

291,807

Total liabilities and fund balance

\$ 454,909

CHARTER TOWNSHIP OF SUPERIOR
FIRE HALL CONSTRUCTION FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Interest income	\$	\$ 16,996	\$ 16,996
EXPENDITURES			
Project costs	<u>1,849,000</u>	<u>1,774,142</u>	<u>74,858</u>
Excess of revenues Over (under) expenditures	(1,849,000)	(1,757,146)	91,854
OTHER FINANCING SOURCES			
Transfers in	<u>605,905</u>	<u>605,906</u>	<u>1</u>
Excess of revenues over (under) expenditures and other financing sources	(1,243,095)	(1,151,240)	91,855
FUND BALANCE, JANUARY 1, 2004	<u>1,443,047</u>	<u>1,443,047</u>	
FUND BALANCE, DECEMBER 31, 2004	<u>\$ 199,952</u>	<u>\$ 291,807</u>	<u>\$ 91,855</u>

WATER AND
SEWER FUND

CHARTER TOWNSHIP OF SUPERIOR
WATER AND SEWER FUND
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Developer non-cash contributions	\$	\$ 1,510,617	\$ 1,510,617
Connection fees - cash		3,514,374	3,514,374
Charges for services	2,300,000	2,265,414	(34,586)
Interest income	144,879	156,370	11,491
Other revenue	46,102	44,248	(1,854)
Meter sales	<u>95,000</u>	<u>90,032</u>	<u>(4,968)</u>
Total revenues and receipts	<u>\$ 2,585,981</u>	<u>\$ 7,581,055</u>	<u>\$ 4,995,074</u>
EXPENSES			
Depreciation	\$ 264,740	\$ 305,039	\$ (40,299)
Salaries	342,400	345,953	(3,553)
Training and other employee expenses	4,000	2,882	1,118
Payroll taxes	27,342	26,976	366
Health insurance	68,176	77,568	(9,392)
Taxable benefits	15,000	14,511	489
Pension	28,193	28,952	(759)
Office expenses	13,511	13,563	(52)
Operating supplies and meters	114,000	123,512	(9,512)
Water and sewer purchases	1,477,000	1,423,004	53,996
Professional	41,825	46,749	(4,924)
Telephone	11,000	10,431	569
Insurance	20,575	18,606	1,969
Transportation	5,500	5,293	207
Printing and publishing	5,000	3,564	1,436
Utilities	5,000	4,439	561
Repairs and maintenance	54,600	56,947	(2,347)
Office rent	9,030	9,030	
Membership and dues	4,000	3,227	773
Transfer to reserve	57,089	22,923	34,166
Interest expense – debt		293,415	(293,415)
Computer expenses	15,000	10,717	4,283
Uniforms	<u>3,000</u>	<u>3,067</u>	<u>(67)</u>
Total expenses and disbursements	<u>\$ 2,585,981</u>	<u>\$ 2,850,368</u>	<u>\$ (264,387)</u>

This schedule is prepared on a budgetary basis for the operating accounts of the enterprise fund and as such does not present the results of operations on the basis of generally accepted accounting principles but is presented for supplemental information.

CHARTER TOWNSHIP OF SUPERIOR
COMPARATIVE STATEMENT OF REVENUES AND EXPENSES –
OPERATING ACCOUNTS ONLY
FOR THE YEARS ENDED DECEMBER 31, 2004, 2003, 2002

	<u>2004</u>	<u>2003</u>	<u>2002</u>
REVENUES			
Charges for services	\$ 2,265,414	\$ 2,003,028	\$ 1,952,259
Meter sales and other revenue	<u>134,280</u>	<u>123,212</u>	<u>40,083</u>
Total revenues	<u>2,399,694</u>	<u>2,126,240</u>	<u>1,992,342</u>
EXPENSES			
Water and sewer purchases	1,423,004	1,199,998	1,204,163
Operating supplies and meters	123,512	96,075	30,755
Office expenses	13,563	6,502	8,778
Professional services	46,749	39,696	37,458
Salaries and wages	345,953	294,658	198,672
Payroll taxes	26,976	23,150	16,301
Taxable benefits	14,511	11,245	15,220
Health insurance	77,568	65,537	41,827
Pension	28,952	26,920	19,046
Telephone	10,431	9,972	7,701
Insurance	18,606	9,396	16,382
Transportation	5,293	3,621	2,185
Utilities	4,439	5,619	5,024
Repairs and maintenance	56,947	58,339	32,203
Printing and publishing	3,564	3,224	3,636
Office rent	9,030	8,600	8,190
Memberships and dues	3,227	1,017	3,485
Computer expenses	10,717	4,173	5,284
Training and other employee expenses	2,882	5,929	2,269
Uniforms	<u>3,067</u>	<u>2,311</u>	<u>1,470</u>
Total expenses	<u>2,228,991</u>	<u>1,875,982</u>	<u>1,660,049</u>
Net revenues over expenses	<u>\$ 170,703</u>	<u>\$ 250,258</u>	<u>\$ 332,293</u>

This schedule only includes operating revenues and expenses (excludes connection fees revenue, interest income, depreciation expense, and interest expense) and as such does not present results of operations on the basis of generally accepted accounting principles but is presented for supplementary information.

TRUST AND
AGENCY FUND

CHARTER TOWNSHIP OF SUPERIOR
TRUST AND AGENCY FUND
BALANCE SHEET
DECEMBER 31, 2004

ASSETS

ASSETS

Cash and cash equivalents

\$ 542,806

LIABILITIES

LIABILITIES

Due to others

\$ 537,255

Due to other funds

5,551

Total liabilities

\$ 542,806

CURRENT TAX
FUND

CHARTER TOWNSHIP OF SUPERIOR
CURRENT TAX FUND
BALANCE SHEET
DECEMBER 31, 2004

ASSETS

ASSETS

Cash and cash equivalents

\$ 3,708,132

LIABILITIES

LIABILITIES

Due to others

\$ 2,696,873

Due to other funds

1,011,259

Total liabilities

\$ 3,708,132

PAYROLL
FUND

CHARTER TOWNSHIP OF SUPERIOR
PAYROLL FUND
BALANCE SHEET
DECEMBER 31, 2004

ASSETS

ASSETS

Cash and cash equivalents	\$ 15,013
Due from others	30
Due from other funds	<u>11,875</u>

Total assets		<u>\$ 26,918</u>
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LIABILITIES

LIABILITIES

Due to others	\$ 25,578
Due to other funds	<u>1,340</u>

Total liabilities		<u>\$ 26,918</u>
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